



# BONHEUR ASA

## REPORT FOR THE FIRST QUARTER 2012

### Comments to the accounts for Bonheur ASA

The Group accounts for the first quarter 2012 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 2011 in brackets.

### Highlights 1Q 12

- Operating revenues were NOK 2 543 million (NOK 2 318 million)
- Operating result before depreciation (EBITDA) was NOK 1 040 million (NOK 930 million)
- Operating profit (EBIT) was NOK 553 million (NOK 461 million)
- Net result after tax was NOK 227 million (NOK 334 million)
- Majority's share of net result was NOK 46 million (NOK 121 million)
- Earnings per share were NOK 1.40 (NOK 3.70)
- Fred. Olsen Windcarrier AS entered into a contract for the construction of three additional crew boats
- A subsidiary of Fred. Olsen Windcarrier AS was awarded a contract for the installation of 30 wind turbines and associated equipment at the Riffgat offshore wind farm in German territorial waters
- Proposed dividend payment for 2011 NOK 5.00 per share.

### 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 major investments, the ownership structure entails full consolidation for accounting purposes of a number of companies. The main business segments comprise Offshore Drilling, Floating Production, Renewable Energy, Cruise, Shipping / Offshore wind and Other Investments.



## BONHEUR ASA

Financial key figures (figures in million NOK except for earnings per share)

	1Q 12	1Q 11	2011
Operating revenue	2 543	2 318	9 884
EBITDA	1 040	930	4 317
EBIT	553	461	2 215
Net result after tax	227	334	1 364
Majority's share of net result 1)	46	121	395
Average number of shares outstanding	32 345 668	32 345 668	32 345 668
Basic/diluted earnings per share NOK	1,4	3,7	12,2
Interest bearing liabilities	12 750	11 411	12 720

1) The minority interests consist of 46.23% of Fred. Olsen Energy ASA (FOE), 37.87% of Ganger Rolf ASA, 37.75% of Fred. Olsen Production ASA (FOP) and 13.52% of GenoMar AS.

The Group of companies' operating revenues amounted to NOK 2 543 million (NOK 2 318 million) in the quarter. The increase in revenues compared with the corresponding quarter last year is mainly related to higher income in the Offshore Drilling, Renewable Energy and Shipping/Offshore wind segments. Offshore Drilling generated operating revenues of NOK 1 606 million (NOK 1 479 million), Renewable Energy had operating revenues of NOK 183 million (NOK 143 million) and the Shipping/Offshore wind segment had operating revenues of NOK 122 million (NOK 76 million). Other segments had revenues more or less at the same level as last year. Floating Production had revenues of NOK 156 million (NOK 155 million) and revenues within Cruise were NOK 448 million (NOK 440 million).

Earnings before interest, tax, depreciation and amortization (EBITDA) were NOK 1 040 million (NOK 930 million) in the quarter. The increase in EBITDA compared with the 1st quarter 2011 of NOK 110 million is mainly due to increased EBITDA within Offshore Drilling of NOK 81 million and Renewable Energy of NOK 30 million. EBITDA within the Cruise segment decreased by NOK 6 million. Depreciation and impairment in the quarter were NOK 487 million (NOK 469 million).

Operating result (EBIT) for the quarter was NOK 553 million (NOK 461 million).

Net financial items were negative NOK 214 million (negative NOK 117 million). Net interest costs in the quarter were NOK 117 million and net currency loss were NOK 136 million. Net unrealized gain related to revaluation of financial instruments amounted to NOK 50 million. The Group of companies' result after estimated tax in the quarter was NOK 227 million (NOK 334 million), of which NOK 46 million relate to the majority interests (NOK 121 million). The minority interests' share of net result in the quarter was NOK 181 million (NOK 213 million). Minority interests' share of the results are higher than the share of majorities, as a consequence of the minorities' share of the result in Fred. Olsen Energy ASA.

### **Business segments**

The Group of companies' results for the individual business segments are included in Note 3.

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.



## BONHEUR ASA

### Offshore Drilling

The segment consists of 53.8% ownership of Fred. Olsen Energy ASA with subsidiaries (FOE). Figures below inclusive intragroup eliminations:

(Figures in NOK million)	1Q 12	1Q 11
Operating revenues	1 606	1 479
EBITDA	844	763
EBIT	515	456
Net result	378	381

*Extract from FOE's report for the first quarter 2012 (figures in NOK unless otherwise stated).*

Note that FOE shows fourth quarter 2011 in brackets, while Bonheur ASA compares with first quarter 2011. Figures below are exclusive of intragroup eliminations:

For full report please refer to [www.fredolsen-energy.no](http://www.fredolsen-energy.no)

(Figures in NOK million)	1Q 12	4Q 11	1Q 11
Operating revenues	1 606	1 682	1 479
EBITDA	844	889	763
EBIT	506	542	447
Net result	369	530	372

#### **“FINANCIAL INFORMATION (4th quarter 2011 in brackets)**

Operating revenues in the quarter were 1,606 million (1,682 million), a decrease of 75 million compared with the previous quarter. Revenues from the offshore drilling division were 1,540 million (1,638 million), a decrease of 98 million. Revenues from the engineering and fabrication division were 67 million (44 million), an increase of 23 million. The decrease in revenues within the offshore drilling division is mainly due to Borgsten Dolphin being idle most of the quarter, Blackford Dolphin operating on a lower dayrate and Belford Dolphin commencing new contract at lower dayrate, partly offset by reduced downtime for Bredford Dolphin in the quarter.

Operating costs were 762 million (793 million), a decrease of 31 million compared with previous quarter. Operating costs within the offshore drilling division decreased by 54 million, partly offset by an increase in operating cost within the engineering and fabrication division of 23 million. The decrease in operating costs within the offshore drilling division is mainly due to a lower repair and maintenance level in first quarter compared with previous quarter.

Operating profit before depreciation (EBITDA) was 844 million (889 million). EBITDA within the offshore drilling division decreased by 45 million to 842 million (887 million), and EBITDA within engineering and fabrication division was 2 million, which is in line with previous quarter.

Depreciation, amortisation and impairment amounted to 338 million (347 million).

Operating profit after depreciation (EBIT) was 506 million (542 million).

Net financial expenses were 110 million (26 million). Capitalized interest expenses related to the newbuild drillship in the quarter amounted to 9 million (8 million).



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Profit before tax was 395 million (516 million).

Net profit, including an estimated tax charge of 27 million (positive 15 million), was 369 million (530 million).

Earnings per share were 5.6 (8.0).

The Board has proposed to the Annual General Meeting on 24<sup>th</sup> May 2012 an ordinary dividend payment of NOK 10 per share and an extraordinary dividend of NOK 10 per share. Subject to approval, the shares will be quoted ex. dividend from 25<sup>th</sup> May 2012. Estimated date of payment of dividend is 20<sup>th</sup> June 2012.

A Settlement Agreement has been entered into between the shipyard Keppel Verolme BV and Blackford Dolphin Pte. Ltd., a wholly owned subsidiary of Fred. Olsen Energy ASA, on the costs for the reconstruction and upgrading of the semi-submersible Aker H-3 drilling rig Blackford Dolphin.”

### Floating Production

The segment consists of 62.25% ownership of Fred. Olsen Production ASA with subsidiaries (FOP).

(Figures in NOK million)	1Q 12	1Q 11
Operating revenues	156	155
EBITDA	60	59
EBIT	19	16
Net result	2	-4

Extract from FOP's report for the first quarter 2012. For full report please refer to [www.fpsa.no](http://www.fpsa.no)

#### ***“Financial information***

Comparable figures for the corresponding period in 2011 are in brackets below.

Revenues in the quarter were USD 26.9 million (USD 27.1 million). Total operating expenses were USD 16.6 million (USD 16.7 million). After depreciation of USD 7.1 million (USD 7.7 million) the 1<sup>st</sup> quarter operating profit (EBIT) was USD 3.2 million (USD 2.6 million).

Net financial expenses were USD 1.1 million (USD 1.2 million). Profit before tax was USD 2.1 million (USD 1.5 million) in the quarter.

Profit after tax was USD 0.3 million (loss USD 0.8 million) in the 1<sup>st</sup> quarter of 2012.

#### **Market Outlook**

The total market demand for FPSOs has improved compared to the lows of 2008/2009, driven by the need for development of new fields in remote areas or deep water, but the number of lease projects remains below market expectations. Inquiry flow for mid-range projects remains high in Asia, with most activity in Vietnam, Malaysia and Indonesia. Few projects have materialized in West Africa during the last year, with the exception of high-end (turnkey) projects – and few are forecast in the coming 12 months, as the smaller projects suffer continued delays due to political, regulatory and financing issues. Brazil maintains a steady stream of new project inquiries, though the largest local consortium projects are being prioritized ahead of the smaller international tenders.



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Fred. Olsen Production ASA and its partner Marubeni Corporation continue discussions with PetroVietnam Technical Services Corporation, Vietnam for the delivery of an FPSO for the Thang Long & Dong Do oil fields offshore Vietnam.

The first quarter 2012 was quiet in terms of new contract awards: only 3 FPSO contracts were awarded (excluding 4 hull only conversions in Brazil): 2 lease (both redeployments) and 1 turnkey or EPC. “

### Renewable energy

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

(Figures in NOK million)	1Q 12	1Q 11
Operating revenues	183	143
EBITDA	135	105
EBIT	87	57
Net result	55	37

FOR owns and operates four wind farms in Scotland (Crystal Rig, Crystal Rig II, Rothes and Paul's Hill) and two in Sweden (Kristinetorp and Kiaby). At the end of 1st quarter, the company had an installed capacity of 323 MW in production. In addition FOR has a portfolio onshore of development projects in UK, Norway, Sweden and Canada.

Operating revenues in the quarter were NOK 183 million (NOK 143 million). Generation increased from 203 GWh to 277 GWh compared with the same quarter last year. The increase is caused by higher wind speed compared to 1<sup>st</sup> quarter 2011. EBITDA was NOK 135 million (NOK 105 million).

### Cruise

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

(Figures in NOK million)	1Q 12	1Q 11
Operating revenues	448	440
EBITDA	30	36
EBIT	-24	-18
Net result	-41	-8

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

Operating revenues in the quarter were NOK 448 million (NOK 440 million). Operating result before depreciation (EBITDA) was NOK 30 million (NOK 36 million).

Number of passenger days totaled 330 373 (319 055) for the quarter. Passenger yields were in line with 1<sup>st</sup> quarter last year. Higher price on fuel oil in the quarter (up 12% compared to 1 quarter 2011) impacted the result negatively compared with the same quarter last year.



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### Shipping / Offshore wind

The segment consists of the ownership of the two tankers Knock Sheen (1998 built, dwt 145 000) and Knock Clune (2010 built, dwt 163 000) and one refer vessel (Condor Bay), owned through First Olsen Ltd. (FOL, 100% owned), Fred. Olsen Windcarrier AS, a company owning and operating transport and installation vessels for offshore wind turbines and Fred. Olsen United AS, a company offering integrated turnkey solutions to the offshore wind industry.

(Figures in NOK million)	1Q 12	1Q 11
Operating revenues	122	76
EBITDA	4	4
EBIT	-6	-8
Net result	-70	-41

Revenues in the quarter were NOK 122 million (NOK 76 million) and EBITDA were NOK 4 million (NOK 4 million).

Both suezmax tankers have operated in the spot market during the quarter.

Subsidiaries of Fred. Olsen Windcarrier AS has two transport and installation vessels for the offshore wind industry under construction at Lamprell ship yard with scheduled deliveries in the 2nd quarter and at the end of the year 2012, respectively. Fred. Olsen Windcarrier AS has been awarded a contract by the German utility EWE for the installation of 30 wind turbines and associated equipment at the Riffgat offshore wind farm in the German territorial waters. The contract is scheduled to commence in March 2013 and is anticipated to take 90 days.

Fred. Olsen Windcarrier AS has during the quarter taken delivery of additional two service vessels for the offshore wind industry for transportation of technicians to and from offshore wind farms, bringing the total number of crew boats in operation to 5 vessels. The vessels are on six to twelve months contracts with charterer's options for extensions. Further, Fred. Olsen Windcarrier AS has three additional service vessels under construction at Båtservice Mandal AS. The vessels are scheduled to be delivered during the 4<sup>th</sup> quarter 2012 and 1<sup>st</sup> quarter 2013.

Fred. Olsen United AS has under construction three complete meteorological masts including foundations to be installed during 3rd quarter in UK waters in connection with the development of offshore wind farms. Through its 60% ownership of Universal Foundation A/S the Group of companies provides the design of the foundations, the innovative "bucket foundation" which has been designed for the offshore wind energy sector. This innovation will reduce the cost for offshore foundation installations and provide for easy decommissioning.

### Other investments

Other Investments mainly consist of an ownership of 35.6% of NHST Media Group AS, 86.5% of GenoMar AS, 12.6% of IT Fornebu Properties AS as well as 100% of the service companies Fred. Olsen Brokers AS, Fred. Olsen Travel AS, AS Fred. Olsen Fly- og Luftmateriell and FO Capital Ltd.

### NHST Media Group AS

NHST Media Group AS have four main business segments, Dagens Næringsliv (newspaper for business), Digital & Nordic (New Media, Europower, TDN, MyNewsdesk), Global (Tradewinds, Upstream, Intrafish and Recharge) and Nautical Charts.



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NHST Media Group AS had revenues of NOK 304 million in the quarter (NOK 288 million) The development in market share and number of copies sold for most of the publications has been positive with a net increase in total circulation revenues.

Operating result before depreciation (EBITDA) for the quarter was NOK 13 million (NOK 10 million).

### **GenoMar AS**

Operating revenues in the 1st quarter were NOK 15 million (NOK 10 million).

EBITDA for quarter was negative NOK 7 million (negative NOK 7 million).

The Malaysian operation obtained slightly higher prices in the 1<sup>st</sup> quarter, partly offset by reduced harvested volumes.

### **IT Fornebu Properties AS (previously IT Fornebu Holding AS)**

Bonheur ASA and Ganger Rolf ASA each holds 6.3% of the shares in IT Fornebu Properties AS (ITFP).

The Terminal building of 35 000 sqm and the other related buildings are fully let.

Contracts have been signed with well-known IT-related companies, oil services companies and other tenants for approximately 82% of the total area of the new Portal Buildings (in total 5 buildings of about 28 000 sqm).

The construction of a new Statoil office building of 65 500 sqm BTA commenced in 2010 and is scheduled to be completed during the autumn 2012.

The construction of a hotel, including an underground parking area, is progressing according to schedule (completion summer 2012). The Nordic hotel group Scandic will rent and operate the hotel which is situated next to the new office building of Statoil.

## **Other information**

### **Capital and financing**

As per first quarter, investments are mainly related to Offshore Drilling (FOE), Renewable Energy (FOR) and Fred. Olsen Windcarrier AS.

Within FOE, capital expenditures during the year amounted to NOK 184 million, related to class renewal surveys and general upgrades.

Fred. Olsen Windcarrier had capital expenditures of NOK 35 million.

FOR had capital expenditures of NOK 133 million during the quarter, mainly related to the construction of Lista windfarm.

In total the Group of companies' investments net of intra-group eliminations, amounted to NOK 393 million.

In January Bonheur ASA completed a NOK 700 million unsecured bond issue with maturity in 2017 and a NOK 300 million bond issue with maturity in 2019. Ganger Rolf is guarantor for both issues.

Gross interest bearing debt of the Group of companies as per end of 1<sup>st</sup> quarter was NOK 12 750 million, an increase of NOK 30 million since year end 2011. Cash and cash equivalents amounted to NOK 5 331 million, an increase of NOK 670 million since year end 2011. Net interest bearing debt of the Group of companies at the end of the quarter was NOK 7 419 million, a decrease of NOK 641million since year



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end 2011. Equity to asset ratio was 44 % at the end of the quarter, compared with 44% at the year-end 2011.

### Dividend / Annual General Meeting in Bonheur ASA

With regard to the Annual General Meeting in 2012, the board will propose the payment of a dividend of NOK 5.00 per share.

The Annual General Meeting is scheduled for Wednesday 30 May 2012.

(NOK million) - unaudited

### CONSOLIDATED

#### CONDENSED INCOME STATEMENT

	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Revenues	2 543,3	2 317,7	9 884,3
Operating costs	-1 503,4	-1 387,6	-5 567,3
<b>Operating result before depreciation / impairment losses (EBITDA)</b>	<b>1 040,0</b>	<b>930,1</b>	<b>4 317,0</b>
Depreciation / Impairment losses	-486,8	-469,2	-2 101,8
<b>Operating result (EBIT)</b>	<b>553,2</b>	<b>460,8</b>	<b>2 215,1</b>
Share of result from associates	0,3	9,1	9,4
Result before finance	553,5	469,9	2 224,5
Financial revenues	217,3	189,9	838,3
Financial costs	-431,6	-306,5	-1 402,8
Net financial items	-214,2	-116,6	-564,5
<b>Result before tax (EBT)</b>	<b>339,3</b>	<b>353,2</b>	<b>1 660,0</b>
Estimated tax cost	-112,0	-19,2	-296,2
<b>Net result after estimated tax</b>	<b>227,3</b>	<b>334,0</b>	<b>1 363,8</b>
Hereof minority interests 1)	181,5	213,2	969,1
Hereof majority interests	45,9	120,8	394,8
Basic earnings / Diluted earnings per share (NOK)	1,4	3,7	12,2
Basic earnings /Diluted earnings per share from continued operations (NOK )	1,4	3,7	12,2

1) The minority interests mainly consist of 46.23% of Fred. Olsen Energy ASA, 37.87% of Ganger Rolf ASA, 37.75% of Fred. Olsen Production ASA and 13.52% of GenoMar AS.





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### CONDENSED STATEMENT OF COMPREHENSIVE INCOME

(NOK million) - unaudited

	Jan-Mar 2012	Jan-Mar 2011
<b>Profit for the period</b>	227,3	334,0
<b>Other comprehensive income</b>		
Foreign exchange translation effects:		
- Foreign currency translation differences for foreign operations	-516,4	-469,9
Hedging effects:		
- Effective portion of changes in fair value of interest hedges	0,6	0,6
Fair value effects related to financial instruments:		
- Net change in fair value of available-for-sale financial assets	23,3	-2,3
- Net change in fair value of available-for-sale financial assets transferred to profit or loss	-0,4	0,0
Other comprehensive income from associates	-0,7	-6,7
Other comprehensive income for the period	22,6	-2,2
Income tax on other comprehensive income	-0,4	2,4
<b>Other comprehensive income for the period, net of income tax</b>	<b>-471,4</b>	<b>-478,0</b>
<b>Total comprehensive income for the period</b>	<b>-244,1</b>	<b>-144,0</b>
<b>Attributable to:</b>		
Equity holders of the parent	-176,6	-88,1
Minority interests 1)	-67,6	-56,0
<b>Total comprehensive income for the period</b>	<b>-244,1</b>	<b>-144,0</b>

1) The minority interests mainly consist of 46.23% of Fred. Olsen Energy ASA, 37.87% of Ganger Rolf ASA, 37.75% of Fred. Olsen Production ASA and 13.52% of GenoMar AS.



## BONHEUR ASA

(NOK million) - unaudited

### CONDENSED STATEMENT OF FINANCIAL POSITION

	31.03.2012	31.03.2011	31.12.2011
Intangible fixed assets	154,9	212,8	200,8
Deferred tax asset	149,8	97,7	151,1
Property, plant and equipment	18 151,2	17 195,7	18 843,2
Investments in associates	93,6	95,1	92,9
Other financial fixed assets	602,8	1 153,6	795,3
<b>Non-current assets</b>	<b>19 152,2</b>	<b>18 754,9</b>	<b>20 083,3</b>
Inventories and consumable spare parts	558,8	452,0	550,8
Trade and other receivables	2 629,5	1 872,4	2 741,8
Cash and cash equivalents	5 331,1	4 372,0	4 660,8
<b>Current assets</b>	<b>8 519,4</b>	<b>6 696,5</b>	<b>7 953,5</b>
<b>Total assets</b>	<b>27 671,6</b>	<b>25 451,4</b>	<b>28 036,8</b>
Share capital	51,0	51,0	51,0
Share premium reserve	25,9	25,9	25,9
Retained earnings	6 407,8	6 179,0	6 584,3
Equity owned by the shareholders in the parent company	6 484,7	6 255,9	6 661,2
Minority interests 1)	5 731,0	5 289,2	5 798,6
<b>Equity</b>	<b>12 215,7</b>	<b>11 545,2</b>	<b>12 459,8</b>
Non-current interest bearing liabilities	11 023,4	9 892,5	10 917,2
Other non-current liabilities	879,5	795,6	935,5
<b>Non-current liabilities</b>	<b>11 902,9</b>	<b>10 688,1</b>	<b>11 852,7</b>
Current interest bearing liabilities	1 726,7	1 518,6	1 803,0
Other current liabilities	1 826,3	1 699,5	1 921,2
<b>Current liabilities</b>	<b>3 553,0</b>	<b>3 218,1</b>	<b>3 724,3</b>
<b>Total equity and liabilities</b>	<b>27 671,6</b>	<b>25 451,4</b>	<b>28 036,8</b>

Oslo, 9 May 2012

The Board of Directors

1) The minority interests mainly consist of 46.23% of Fred. Olsen Energy ASA, 37.87% of Ganger Rolf ASA, 37.75% of Fred. Olsen Production ASA and 13.52% of GenoMar AS.



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## 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 2011	51,0	25,9	-1 226,0	-1,4	99,7	-113,3	7 508,1	6 344,0	5 345,2	11 689,2
Total comprehensive income for the period	0,0	0,0	-469,9	0,7	0,1	0,0	381,0	-88,1	-56,0	-144,0
<b>Balance at 31 March 2011</b>	<b>51,0</b>	<b>25,9</b>	<b>-1 695,8</b>	<b>-0,7</b>	<b>99,8</b>	<b>-113,3</b>	<b>7 889,1</b>	<b>6 255,9</b>	<b>5 289,2</b>	<b>11 545,2</b>
Balance at 1 January 2012	51,0	25,9	-796,3	-1,6	68,1	-113,3	7 427,3	6 661,2	5 798,6	12 459,8
Total comprehensive income for the period	0,0	0,0	-516,4	0,6	22,5	0,0	316,8	-176,6	-67,6	-244,1
<b>Balance at 31 March 2012</b>	<b>51,0</b>	<b>25,9</b>	<b>-1 312,7</b>	<b>-1,0</b>	<b>90,6</b>	<b>-113,3</b>	<b>7 744,1</b>	<b>6 484,7</b>	<b>5 731,0</b>	<b>12 215,7</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 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 31 March 2012 the minority interests mainly consist of 46.23% of Fred. Olsen Energy ASA, 37.75% of Fred. Olsen Production ASA and 37.87% of Ganger Rolf ASA and 13.52% of GenoMar AS.

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 2012</b>	<b>Jan-Mar 2011</b>
<b>Cash flow from operating activities</b>		
Net result after tax	227,3	334,0
<i>Adjustments for:</i>		
Depreciation, impairment losses	486,8	469,2
Net of investment income, interest expenses and net unrealized foreign exchange gains	174,8	159,2
Share of result from associates	-0,3	-9,2
Net gain on sale of property, plant and equipment and other investments	0,0	0,0
Tax expense	112,0	19,2
Operating profit before changes in working capital and provisions	1 000,5	972,5
Increase (-) / decrease in trade and other receivables	108,8	-397,5
Increase / decrease (-) in current liabilities	-52,4	-235,1
Cash generated from operations	1 056,9	339,9
Interest paid	-181,2	-153,0
Tax paid	-76,9	-41,8
<b>Net cash from operating activities</b>	<b>798,8</b>	<b>145,1</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and other investments	105,6	8,8
Interest and dividends received	8,6	7,2
Acquisitions of property, plant and equipment and changes in other investments	-392,5	-408,9
<b>Net cash from investing activities</b>	<b>-278,4</b>	<b>-392,9</b>
<b>Cash flow from financing activities</b>		
Net proceed from issue of shares in subsidiary	4,5	0,0
Increase in borrowings	1 001,1	6,8
Repayment of borrowings	-728,7	-646,4
Dividends paid	0,0	0,0
<b>Net cash from financing activities</b>	<b>276,9</b>	<b>-639,6</b>
Net increase in cash and cash equivalents	797,3	-887,4
Cash and cash equivalents at 1 January	4 660,8	5 399,9
Effect of exchange rate fluctuations on cash held	-127,0	-140,4
<b>Cash and cash equivalents at 31 March</b>	<b>5 331,1</b>	<b>4 372,0</b>

## Note 1 – Basis of presentation

### Introduction

The Group accounts for the first quarter 2012 comprise Bonheur ASA and its subsidiaries ("The Group of companies") and the shares of associates. The quarterly accounts of 2011 and the Group of companies accounts for 2011 may be obtained by contacting Fred. Olsen & Co., Oslo, or at [www.bonheur.net](http://www.bonheur.net).

### 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 2011 and the previous



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interim reports issued in 2011. The interim financial report for the first quarter 2012 was adopted by the company's board on 9<sup>th</sup> May 2012.

The accounting principles were described in the Group's annual accounts for 2011. 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, which were mandatory to apply at 31<sup>st</sup> March 2012.

### 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 2011 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 5 – Taxes.

### Note 2 – Property, plant and equipment – investments and disposals

On 9<sup>th</sup> February 2010 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 scheduled deliveries in the 2<sup>nd</sup> quarter and at the end of the year 2012, respectively. The contract price is about USD 160 million per vessel. Per 31<sup>st</sup> March 2012 the total construction cost related to the two newbuilds has been capitalized by USD 127 million.

On 11<sup>th</sup> February 2011 Fred. Olsen Windcarrier AS entered into agreements with Båtservice Mandal AS for the construction of four crewboats for transport of service technicians to and from offshore wind turbine installations. Two crewboats were delivered in the 4<sup>th</sup> quarter 2011 and additional two crewboats were delivered in the 1<sup>st</sup> quarter 2012.

On 7<sup>th</sup> February 2012 Fred. Olsen Windcarrier AS declared options for the construction of additional three crewboats, which will be delivered in the 4<sup>th</sup> quarter 2012 and 1<sup>st</sup> quarter 2013. The contract price is about NOK 25 million per vessel.

On 15<sup>th</sup> April 2011 a subsidiary of Fred. Olsen Energy ASA ordered a new ultra deepwater drillship at Hyundai Heavy Industries Co., Ltd. shipyard in Korea. The unit is scheduled to be delivered in 3<sup>rd</sup> quarter 2013 at a total cost of USD 615 million (including spare parts, owner furnished equipment and project team). On 19<sup>th</sup> December 2011 the company decided not to declare an option for the purchase of a similar second drillship from Hyundai Heavy Industries Co., Ltd. Per 31<sup>st</sup> March 2012 the total construction cost has been capitalized by NOK 1017 million.

On 5<sup>th</sup> May 2011 Lista Vindkraftverk AS, a wholly owned subsidiary of Fred. Olsen Renewables AS, which is owned 50/50 by Bonheur ASA and Ganger Rolf ASA, entered into a contract for civil and electrical work related to the construction of the onshore wind farm "Lista Vindkraftverk" in Vest-Agder, Norway with Veidekke Entreprenør AS. Contracts for wind turbines and other supplies were entered into during May 2011. The construction period will be approximately two years, and the first electricity is estimated to be produced in fourth quarter 2012. Lista Vindkraftverk will comprise 31 wind turbines and will produce electricity sufficient to support 12 000 households. Total investment cost is estimated to approximately NOK 900 million, out of which NOK 388 million is provided by Enova by way of investment support.



# BONHEUR ASA

## Note 3 – Segment information

I. quarter	Offshore drilling		Floating production		Renewable energy		Cruise		Shipping/Offsh. Wind		Other investments		Total fully consolidated companies	
	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11
Fully consolidated companies														
Revenues	1 606	1 479	156	155	183	143	448	440	122	76	28	25	2 543	2 318
Operating costs	-762	-716	-96	-96	-48	-37	-418	-404	-117	-72	-62	-62	-1 503	-1 388
Oper. result before depr. (EBITDA)	844	763	60	59	135	105	30	36	4	4	-34	-37	1 040	930
Depreciation	-329	-307	-40	-43	-49	-48	-54	-54	-10	-13	-4	-4	-487	-469
Operating result (EBIT)	515	456	19	16	87	57	-24	-18	-6	-8	-38	-42	553	461

I. quarter	Offshore drilling		Floating production		Renewable energy		Cruise		Shipping/Offsh. Wind		Other investments		Total associates	
	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11	1Q.12	1Q.11	1Q.11	1Q.10
Associates														
Revenues	0	0	0	0	0	0	0	0	0	0	112	106	112	106
Operating costs	0	0	0	0	0	0	0	0	0	0	-107	-102	-107	-102
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	1	1	1

### Companies fully consolidated in the accounts

#### **Offshore Drilling**

Fred. Olsen Energy ASA.

#### **Floating production**

Fred. Olsen Production ASA.

#### **Renewable energy**

Fred. Olsen Renewables AS

#### **Cruise**

Fred Olsen Cruise Lines Ltd and First Olsen Holding AS

#### **Shipping / Offshore wind**

*Tankers:* First Olsen Ltd. – Tankers.

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

*Offshore wind:* Fred. Olsen Windcarrier AS and Fred. Olsen United 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., FO Capital Ltd, Bonheur and Ganger Rolf ANS, 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**

Codling Holding Ltd. (50% consolidation percentage)

#### **Shipping**

Shipping activities: Oceanlink Reefer II DIS (8% consolidation percentage) and Oceanlink Reefer III DIS (24% consolidation percentage).

#### **Other investments**

NHST Media Group AS (36.87% consolidation percentage).



## BONHEUR ASA

### Note 4 – Interest bearing loans

FOE has a bank credit facility up to USD 1 500 million. The credit facility is used to prepay former loans and for general corporate purposes. The FOE Group has per 31<sup>st</sup> March 2012 drawn USD 620 million on the facility, which is fully drawn after repayments. The Group has redeemed USD 110 million of the credit facility in 1<sup>st</sup> quarter 2012.

On 4<sup>th</sup> May 2011 FOE completed a NOK 1,400 million 5 years senior unsecured bond issue. Settlement date was 12<sup>th</sup> May 2011 and maturity date 12<sup>th</sup> May 2016. Net proceeds from the bond issue are to be used for general corporate purposes.

FOP has a revolving reducing credit facility of 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 2012 USD 170.7 million was drawn under the credit facility.

FOR has secured bank loans of GBP 228 million, finance lease liabilities of GBP 56 million and other interest bearing loans of GBP 5 million as per 31<sup>st</sup> March 2012. In 1<sup>st</sup> quarter 2012 FOR has drawn down secured bank loans of GBP 0.2 million, repaid bank loans of GBP 5 million and repaid GBP 1.8 million of the finance lease liabilities.

FOCL has secured bank loans of GBP 123 million as per 31<sup>st</sup> March 2012. In the 1<sup>st</sup> quarter 2012 FOCL has repaid GBP 3 million of the loans.

FOL has external interest bearing loans of USD 72 million as per 31<sup>st</sup> March 2012, of which USD 0.5 million is booked in the subsidiaries of FOL, Fred. Olsen Windcarrier AS and Fred. Olsen United AS. In 1<sup>st</sup> quarter 2012 FOL has repaid USD 2.5 million of the loans.

Oceanlink Ltd, a subsidiary of First Olsen Ltd, has bank loans and other external loans of USD 0.5 million as per 31<sup>st</sup> March 2012.

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. Ganger Rolf ASA has borrowed NOK 500 million of the proceeds from the bond issue from Bonheur ASA at identical terms.

On 19<sup>th</sup> October 2010 Bonheur ASA completed a NOK 600 million 3 years unsecured bond issue with Ganger Rolf ASA as guarantor. Settlement date was 29<sup>th</sup> October 2010 and maturity date is 29<sup>th</sup> October 2013. Ganger Rolf ASA has borrowed NOK 300 million of the proceeds from the bond issue from Bonheur ASA at identical terms.

On 25<sup>th</sup> January 2012 Bonheur ASA completed a NOK 700 million 5 years unsecured bond issue with maturity in 2017 and a NOK 300 million 7 years bond issue with maturity in 2019. Ganger Rolf ASA has borrowed NOK 350 million and NOK 150 million of the proceeds from the bond issues from Bonheur ASA at identical terms.

### Note 5 - Taxes

There are several ongoing tax disputes between subsidiaries within the Group of companies and the Norwegian tax authorities. For further information please refer to Note 28 in the Annual Report for 2011.

For the year 1999 Barient was originally taxed with NOK 59 million and a penalty tax of NOK 17 million in 2009. The claim was challenged before the "Skatteklagenemda". Skatteklagenemda partly took the views into accounts, and reduced the tax to NOK 51 million and deleted the penalty tax. By deleting the penalty tax, the tax authorities also removed the interest applied before 2009. Total tax and penalty tax



## BONHEUR ASA

paid back from the tax authorities including interest was NOK 72 million (received in 2Q12) out of originally paid NOK 113 million. The company is considering appealing the decision to the court and to challenge the remaining tax amount of NOK 51 million

Bonheur ASA and Ganger Rolf ASA have both received a drafted decision of change regarding the taxable income for 1999 based on the same case that mentioned above from the tax authorities. The tax authorities claim that Bonheur ASA and Ganger Rolf ASA should have been taxed on gain on shares when reorganizing the ownership of Barient NV back in 1999. No penalty tax has been notified. The drafted decision may lead to payable tax of totally NOK 136 million. The amount is reflected in the tax estimated tax cost per 1 quarter.

### **Note 6 - Bonheur ASA (Parent company – NGAAP)**

In December 2009 Bonheur ASA (the Company) completed a five year, unsecured NOK 1 000 million bond issue, guaranteed by Ganger Rolf ASA, in the Norwegian market.

In October 2010 the Company completed a 3 year, unsecured NOK 600 million bond issue, guaranteed by Ganger Rolf ASA, in the Norwegian market.

In January 2012 Bonheur ASA completed a five year unsecured NOK 700 million bond issue and a seven year NOK 300 million bond issue, guaranteed by Ganger Rolf ASA, in the Norwegian market.

In accordance with rules set out in the bond agreements between the Company and Norsk Tillitsmann ASA (Bond trustee), the condensed financial statements for Bonheur ASA (parent company) is reported in the following. The unaudited accounts for the parent company have been prepared in accordance with the Norwegian accounting act and generally accepted accounting principles in Norway (NGAAP) and is based on the same accounting policies as disclosed in the Company's annual report for 2011 (page 64).





## BONHEUR ASA

(NOK million) - unaudited

### CONDENSED INCOME STATEMENT

	Jan-Mar 2012	Jan-Mar 2011	Jan-Dec 2011
Revenues	0,2	2,1	0,7
Operating costs	-12,5	-12,2	-64,1
<b>Operating result before depr / impairment (EBITDA)</b>	<b>-12,3</b>	<b>-10,1</b>	<b>-63,5</b>
Depreciation	-0,5	-0,7	-2,0
<b>Operating result (EBIT)</b>	<b>-12,8</b>	<b>-10,8</b>	<b>-65,5</b>
Financial revenues	9,5	10,6	614,6
Financial costs	-31,9	-44,1	-121,7
Net financial items	-22,4	-33,4	492,9
<b>Result before tax (EBT)</b>	<b>-35,1</b>	<b>-44,2</b>	<b>427,4</b>
Estimated tax cost	-61,2	12,3	-94,5
<b>Net result after estimated tax</b>	<b>-96,3</b>	<b>-31,9</b>	<b>332,9</b>

### CONDENSED BALANCE SHEET

	31.03.2012	31.03.2011	31.12.2011
Deferred tax asset	38,1	26,4	31,3
Property, plant and equipment	37,5	42,1	37,9
Investments in subsidiaries	5 031,2	4 527,0	4 697,2
Investments in associates	74,7	74,7	74,7
Other financial fixed assets	743,8	720,9	996,3
<b>Non-current assets</b>	<b>5 925,3</b>	<b>5 390,9</b>	<b>5 837,4</b>
Trade and other receivables	52,6	75,5	67,4
Cash and cash equivalents	488,4	25,2	61,5
<b>Current assets</b>	<b>541,0</b>	<b>100,7</b>	<b>128,9</b>
<b>Total assets</b>	<b>6 466,3</b>	<b>5 491,6</b>	<b>5 966,3</b>
Share capital	51,0	51,0	51,0
Share premium reserve	25,9	25,9	25,9
Retained earnings	3 708,8	3 861,8	3 737,1
<b>Equity</b>	<b>3 785,7</b>	<b>3 938,7</b>	<b>3 814,0</b>
Non-current interest bearing liabilities	2 373,4	1 456,3	1 773,6
Other non-current liabilities	71,9	64,6	69,2
<b>Non-current liabilities</b>	<b>2 445,3</b>	<b>1 520,8</b>	<b>1 842,8</b>
Current interest bearing liabilities	0,0	0,0	0,0
Other current liabilities	235,3	32,1	309,4
<b>Current liabilities</b>	<b>235,3</b>	<b>32,1</b>	<b>309,4</b>
<b>Total equity and liabilities</b>	<b>6 466,3</b>	<b>5 491,6</b>	<b>5 966,3</b>



# BONHEUR ASA

Parent, NGAAP

## CONDENSED STATEMENT OF CASHFLOW

<i>(NOK million) - unaudited</i>	<b>Jan-Mar 2012</b>	<b>Jan-Mar 2011</b>
<b>Cash flow from operating activities</b>		
Net result after tax	-96,3	-31,9
<i>Adjustments for:</i>		
Depreciation, impairment losses	0,5	2,7
Impairment of investments	1,0	0,0
Net of investment income, interest expenses and net unrealized foreign exchange gains	21,4	16,5
Net gain on sale of property, plant and equipment and other investments	-0,1	-0,1
Tax expense	61,2	-12,3
Operating profit before changes in working capital and provisions	-12,4	-25,1
Increase (-) / decrease in trade and other receivables	15,4	-94,9
Increase / decrease (-) in current liabilities	-28,9	-2,8
Cash generated from operations	-25,9	-122,8
Interest paid	-15,1	-16,7
<b>Net cash from operating activities</b>	<b>-41,0</b>	<b>-139,5</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and other investments	0,1	0,2
Interest and dividends received	0,4	2,7
Acquisitions of property, plant and equipment and changes in other investments	-76,5	-3,0
<b>Net cash from investing activities</b>	<b>-76,0</b>	<b>0,0</b>
<b>Cash flow from financing activities</b>		
Increase in borrowings	573,9	0,0
Repayment of borrowings	-30,1	0,0
Dividends paid	0,0	0,0
<b>Net cash from financing activities</b>	<b>543,9</b>	<b>0,0</b>
Net increase in cash and cash equivalents	426,9	-139,5
Cash and cash equivalents at 1 January	61,5	164,6
<b>Cash and cash equivalents at 31 March</b>	<b>488,4</b>	<b>25,2</b>