



# BONHEUR ASA

## Report first quarter 2007

### COMMENTS ON THE BONHEUR ASA ACCOUNTS

In the fourth quarter of 2006, Bonheur increased its ownership of Ganger Rolf ASA to 51.28% (before 49.67%). Consequently, Ganger Rolf's accounts were fully consolidated as a subsidiary of Bonheur as from the fourth quarter of 2006. As Bonheur and Ganger Rolf have a joint ownership of their most important investments, the purchase also entailed full consolidation from the same point in time of a number of companies which previously had been treated as associated companies. In addition, some investments which previously had been accounted for at cost were now consolidated according to the equity method.

The accounting standards imply a requirement that Bonheur for the official presentation of its accounts present the accounts as they were actually submitted in earlier periods (not restated). This means that Bonheur's official accounts for the first quarter 2007, is presented as follows:

First quarter 2007 with full consolidation of subsidiaries in the accounts

First quarter 2006 with consolidation according to the equity method.

The full year 2006, where the fourth quarter is based upon full consolidation in the accounts, while the first three quarters have been consolidated according to the equity method.

The corresponding figures are therefore based upon different consolidation methods in the official accounts.

Because of this fact, Bonheur has found it important, also when reporting the first quarter 2007, to prepare proforma accounts where the results and balance sheet for the first quarter 2006 (and for the full year 2006) have been reworked so that they are comparable with the first quarter 2007. These proforma accounts are presented as Note 9 to these accounts.

For this reason the financial information here has been kept to a minimum, as more detailed information is given in note 9.

### FINANCIAL INFORMATION

The figures are given in NOK, unless otherwise indicated. If the figures from the corresponding period of 2006 are comparable, they are given in parenthesis. (Please refer to explanation in the previous paragraph.)

The Group's operating revenue amounted to 1,647.0 million in the quarter, while the operating result before depreciation (EBITDA) was 640.2 million. Net financial items in the quarter were negative with 46.2 million.

Associated companies were consolidated with a total negative result of 10.7 million during the quarter. Comarit and TusenFryd contributed negatively while the NHST Media Group contributed positively.



## BONHEUR ASA

The result after tax and minority interests amounted to 176.4 million. The minority interests in the Bonheur Group consist of ownership of 46.00% in Fred. Olsen Energy ASA, 48.72% in Ganger Rolf ASA and 42.30% in Fred. Olsen Production ASA.

The Group's areas of activity consist of Energy services, Renewable energy, Shipping and Other investments. The results for the individual areas of activity are shown in Note 5. The area Energy services is split into Offshore drilling and Floating production, while Shipping is split into Tankers, Cruise and Other Shipping activities.

### OTHER INFORMATION

#### Events after 31 March 2007

On 10 April, Fred. Olsen Cruise Lines Pte. Ltd entered into an agreement with Blohm + Voss Repair GmbH, Hamburg, for the lengthening of the vessel "Norwegian Crown" by roughly 30 metres, which will increase the passenger capacity by about 35%. The total project, including the purchase of the vessel, upgrading and lengthening, amounts to about USD 210 million.

On 20 April, the subsidiary Dolphin Drilling Ltd, a company in the Fred. Olsen Energy group, entered into an agreement for a 60 days extension of the charter contract concerning Borgholm Dolphin. The value of the contract amounts to USD 12 million.

The board of the Oslo Stock Exchange resolved on 25 April to list the shares of Fred. Olsen Production ASA on the Stock Exchange provided the company meets the requirement as to the number of lots/shareholders before the first day of listing. It is expected that trading in the shares will start around 11 May 2007.

The Norwegian Water Resources and Energy Directorate gave consent to build a 102 MW windfarm in December 2006. The zoning-plan was 8 May 2007 approved by Farsund city counsel. Both the County Governor of Vest-Agder and the Vest-Agder regional authority have appealed the decisions.

The Annual General Meeting will be held on 31 May 2007 at 1400 hours in the company's premises in Fred. Olsens gate 2, Oslo.



# BONHEUR ASA

(NOK million) - unaudited

## CONSOLIDATED

Different consolidation methods are applied in 2007 and 2006. Therefore the figures are not directly comparable.

### INCOME STATEMENT

	Jan-Mar 2007	Jan-Mar 2006	Jan-Dec 2006
Revenues	1 647,0	0,4	1 588,3
Operating costs	-1 006,8	-7,4	-1 085,0
Depreciation / Write down	-221,9	-0,7	-191,5
Operating result	418,3	-7,7	311,7
Share of result from associated companies	-10,7	162,3	681,1
Result before finance	407,6	154,6	992,9
Financial revenues	96,1	11,1	124,7
Financial costs	-142,3	-10,4	-183,2
Net financial items	-46,2	0,7	-58,5
Result before tax from continuing operations	361,4	155,3	934,3
Estimated tax cost (-) / -income	-22,6	1,0	40,1
Result after tax from continuing operations	338,8	156,3	974,5
Net result from discontinuing operations	-	-	-
<b>Net result after estimated tax</b>	<b>338,8</b>	<b>156,3</b>	<b>974,5</b>
Hereof minority interests 2)	162,4	-	135,6
Hereof majority interests	176,4	156,3	838,9
Basic earnings / Diluted earnings per share (NOK) 1)	5,5	3,8	25,9 / 25,6
Basic earnings /Diluted earnings per share from continued operations (NOK ) 1)	5,5	3,8	25,9 / 25,6
Basic earnings / Diluted earnings per share from discontinued operations (NOK) 1)	-	-	-

1) Figures 1 quarter 2006 restated due to split of shares

2) The minority interests consist of 46.00% from Fred. Olsen Energy ASA, 48.72% from Ganger Rolf ASA and 42.30% from Fred. Olsen Production ASA.



# BONHEUR ASA

## CONSOLIDATED STATEMENT OF RECOGNIZED INCOME AND EXPENSES

(NOK million)

	Jan-Mar 2007	Jan-Mar 2006
Foreign exchange translation effects:		
- Recognised directly against equity	-158,9	-73,7
- Transferred to income statement	0,0	0,0
Fair value effects:		
- Recognised directly against equity	-4,6	22,9
- Transferred to income statement	0,0	-0,4
Change in equity in associated companies	-0,2	3,6
Increase in equity in subsidiaries	1 151,1	0,0
Net dilution (-) / concentration associated companies	0,0	-3,3
Changes directly in equity due to cross ownership in Ganger Rolf	0,0	-22,6
Other changes directly in equity	1,3	7,9
<b>Net income recognised directly in equity</b>	<b>988,6</b>	<b>-65,7</b>
<b>Profit for the period</b>	<b>338,8</b>	<b>156,3</b>
<b>Total recognised income and expense for the period</b>	<b>1 327,4</b>	<b>90,6</b>
<b>Attributable to:</b>		
Equity holders of the parent	189,9	90,6
Minority interests 1)	1 137,5	0,0
<b>Total recognised income and expense for the period</b>	<b>1 327,4</b>	<b>90,6</b>

1) The minority interests consist of 46.00% from Fred. Olsen Energy ASA, 48.72% from Ganger Rolf ASA and 42.30% from Fred. Olsen Production ASA.



# BONHEUR ASA

(NOK million) - unaudited

## CONSOLIDATED

Different consolidation methods are applied in 1Q 2007 and 1Q2006. Therefore the figures are not directly comparable.

### BALANCE SHEET

	31.03.2007	31.03.2006	31.12.2006
Intangible fixed assets	162,2	0,0	146,9
Deferred tax asset	119,8	0,3	115,8
Property, plant and equipment	12 099,5	38,9	12 113,3
Investments in associated companies	207,5	3 994,9	216,4
Other financial fixed assets	580,2	647,0	590,3
<b>Non-current assets</b>	<b>13 169,3</b>	<b>4 681,2</b>	<b>13 182,7</b>
Inventories and consumable spare parts	254,5	0,0	267,4
Trade and other receivables	1 516,7	58,7	1 501,6
Cash and cash equivalents	4 965,1	128,3	3 581,3
<b>Current assets</b>	<b>6 736,2</b>	<b>187,0</b>	<b>5 350,3</b>
<b>Total assets</b>	<b>19 905,5</b>	<b>4 868,2</b>	<b>18 533,0</b>
Share capital	51,0	51,0	51,0
Share premium reserve	25,9	25,9	25,9
Retained earnings	5 291,1	4 453,7	5 097,7
Equity owned by the shareholders in the parent company	5 368,0	4 530,6	5 174,6
Minority interests 1)	4 932,4	0,0	3 798,4
<b>Equity</b>	<b>10 300,5</b>	<b>4 530,6</b>	<b>8 973,1</b>
Non-current interest bearing liabilities	6 965,0	267,4	6 911,6
Other non-current liabilities	711,0	58,7	671,7
<b>Non-current liabilities</b>	<b>7 675,9</b>	<b>326,1</b>	<b>7 583,3</b>
Current interest bearing liabilities	669,8	0,0	632,3
Other current liabilities	1 259,3	11,5	1 344,4
<b>Current liabilities</b>	<b>1 929,1</b>	<b>11,5</b>	<b>1 976,6</b>
<b>Total equity and liabilities</b>	<b>19 905,5</b>	<b>4 868,2</b>	<b>18 533,0</b>

Oslo, 9 May 2007

The Board

1) The minority interests consist of 46.00% from Fred. Olsen Energy ASA, 48.72% from Ganger Rolf ASA and 42.30% from Fred. Olsen Production ASA.



# BONHEUR ASA

## Cash flow statement - consolidated

<i>(NOK million)</i>	<b>Jan-Mar 2007</b>	<b>Jan-Mar 2006</b>
<b>Cash flow from operating activities</b>		
Net result after tax	338,8	156,3
<i>Adjustments for:</i>		
Depreciation	221,9	0,7
Net of investment income, interest expenses and net unrealized foreign exchange gains	72,1	-5,1
Share of result from associated companies	10,7	-162,3
Net gain (-) / loss on sale of property, plant and equipment and other investments	-41,8	0,2
Tax expense / -income (-)	22,6	-1,0
<b>Operating profit before changes in working capital and provisions</b>	<b>624,3</b>	<b>-11,2</b>
Increase (-) / decrease in trade and other receivables	34,0	3,4
Increase / decrease (-) in current liabilities	94,9	-0,8
<b>Cash generated from the operations</b>	<b>753,3</b>	<b>-8,6</b>
Interest paid	-135,0	-2,6
Tax paid	-2,9	0,0
<b>Net cash from operating activities</b>	<b>615,3</b>	<b>-11,2</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and other investments	82,0	32,4
Interest and dividends received	30,1	8,2
Acquisitions of property, plant and equipment and other investments	-717,7	-0,8
<b>Net cash from investing activities</b>	<b>-605,6</b>	<b>39,8</b>
<b>Cash flow from financing activities</b>		
Net proceed from issue of shares in subsidiary	1 141,1	0,0
Increase in borrowings	476,0	27,9
Repayment of borrowings	-180,2	-96,4
<b>Net cash from financing activities</b>	<b>1 436,9</b>	<b>-68,5</b>
Net increase in cash and cash equivalents	1 446,6	-39,9
Cash and cash equivalents at 1 January	3 581,3	168,2
Effect of exchange rate fluctuations on cash held	-62,8	0,0
<b>Cash and cash equivalents at 31 March</b>	<b>4 965,1</b>	<b>128,3</b>



# BONHEUR ASA

## **NOTE 1 – INTRODUCTION**

The Group accounts for the first quarter 2007 comprise Bonheur ASA and its subsidiaries ("The Group") and the Group's shares of associated companies. The quarterly accounts of 2006 and the Group accounts for 2006 may be obtained by contacting Fred. Olsen & Co., Oslo, or at [www.bonheur.no](http://www.bonheur.no).

## **NOTE 2 - FINANCIAL FRAMEWORK AND ACCOUNTING PRINCIPLES**

The interim accounts have been prepared in accordance with 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 annual accounts for 2006. The interim financial report for the first quarter 2007 was adopted by the company board on 9 May 2007.

The accounting principles were described in the Group annual accounts for 2006. The Group annual accounts for 2006 were prepared in accordance with Accounting Act rules and International Financial Reporting Standards (IFRS). New or revised international standards and interpretations have not led to any change in measuring methods or resulted in the inclusion of new standards in relation to the principles and standards chosen by the Group for the financial accounts for 2006.

## **NOTE 3 - ESTIMATES**

The preparation of interim accounts involves the use of appraisals, estimates and assumptions influencing the amounts stated for assets and obligations, revenue 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 2006 Group accounts.

## **NOTE 4 - PROPERTY, PLANT AND EQUIPMENT - INVESTMENTS**

The subsidiary Fred. Olsen Production ASA (FOP) has entered into an agreement with Maersk Oil Qatar (MOQ) for the upgrading of the import capacity of the storage tanker Knock Nevis. Capital costs in connection with this project will be carried by MOQ. The agreement contains a compensation mechanism expected to yield an increased EBITDA contribution to FOP of a total of USD 3-5 million in 2008 and 2009.



# BONHEUR ASA

## NOTE 5 - SEGMENT INFORMATION

Areas of activity  
(NOK million)

1. quarter	Energy services		Renewable energy		Shipping		Other investments		Total fully consolidated companies	
	1Q.07	1Q.06	1Q.07	1Q.06	1Q.07	1Q.06	1Q.07	1Q.06	1Q.07	1Q.06
Revenues	1 064	0	94	0	473	0	16	0	1 647	0
Operating costs	-624	0	-18	0	-326	0	-40	-7	-1 007	-7
Operating result before depr. (EBITDA)	440	0	76	0	147	0	-23	-7	640	-7
Depreciation	-130	0	-27	0	-62	0	-2	-1	-222	-1
Operating result (EBIT)	309	0	49	0	85	0	-25	-8	418	-8

1. quarter	Energy services		Renewable energy		Shipping		Other investments		Total associated companies	
	1Q.07	1Q.06	1Q.07	1Q.06	1Q.07	1Q.06	1Q.07	1Q.06	1Q.07	1Q.06
Revenues	0	350	0	22	67	208	83	9	150	589
Operating costs	0	-192	0	-6	-64	-183	-81	-14	-146	-394
Operating result before depr. (EBITDA)	0	158	0	17	3	25	1	-5	4	195
Depreciation	0	-45	0	-11	-11	-17	-5	-2	-16	-75
Operating result (EBIT)	0	113	0	6	-8	8	-4	-7	-12	120

### Companies fully consolidated in the accounts

#### Energy services

*Offshore drilling:* Fred. Olsen Energy ASA and the Bulford Dolphin rig

*Floating production:* Fred. Olsen Production ASA

#### Renewable energy

Fred. Olsen Renewables AS

#### Shipping

*Tankers:* First Olsen Ltd - tankers

*Cruise:* Fred. Olsen Cruise Lines Ltd., Fred. Olsen Cruise Lines Pte. Ltd. and the Borgå group

*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, Ganger Rolf ASA, Bonheur ASA and First Olsen Ltd – other investments.

### Associated companies

#### Shipping

*Other shipping activities:* Comarit SA and Oceanlink Ltd

#### Other investments

TusenFryd AS, Genomar ASA, NHST Media Group AS

The figures for the areas of activity emerge as follows:

### Fully consolidated companies

2006: The figures are based upon the first quarter report submitted in 2006, reworked according to the new segment structure (as from and including the fourth quarter 2006)

2007: The figures for the first quarter are based upon the new Group model where most companies that earlier were associated companies now have become subsidiaries.





# BONHEUR ASA

## NOTE 6 - EQUITY CAPITAL

### Reconciliation of movements in capital and reserves

(NOK million)

	Share Capital	Share premium	Translation reserve	Fair value reserve	Own shares 1)	Retained earnings	Total	Minority interests	Total equity
Balance at 1 January 2006	51,0	25,9	6,7	150,0	0,0	4 206,3	4 440,0	0,0	4 440,0
Total recognised income and expense	0,0	0,0	-73,7	22,5	0,0	141,9	90,6	0,0	90,6
Balance at 31 March 2006	51,0	25,9	-67,0	172,5	0,0	4 348,2	4 530,6	0,0	4 530,6
Balance at 1 January 2007	51,0	25,9	-288,9	72,7	-113,3	5 427,2	5 174,6	3 798,4	8 973,1
Total recognised income and expense	0,0	0,0	-158,9	-4,6	0,0	357,0	193,4	1 134,0	1 327,4
Balance at 31 March 2007	51,0	25,9	-447,8	68,1	-113,3	5 784,1	5 368,0	4 932,4	10 300,5

### 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.

### 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 2007 the minority interests consist of 46,00% in Fred. Olsen Energy ASA, 42,30% in Fred. Olsen Production ASA and 48,72% i Ganger Rolf ASA.

### Dividend for 2006

The Board will suggest for the Annual Shareholders' Meeting on 31 May 2007 to pay a dividend of NOK 8.90 per share for 2006.

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

## NOTE 7 - INTEREST BEARING LOANS AND CREDITS

(NOK million)

<b>Balance per 1 January 2007</b>	<b><u>7.544</u></b>
Currency translation effects	-193

### New debt

Mortgage loan	468
Associated companies	0
Financial lease	1
Convertible bond loan	0
Other long term debt	1

<b>Total new debt</b>	<b><u>470</u></b>
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### Instalments

Mortgage loan	-169
Associated companies	0
Financial lease	-8
Convertible bond loan	0
Other long term debt	-9

<b>Total instalments</b>	<b><u>-186</u></b>
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<b>Balance per 31 March 2007</b>	<b><u>7.635</u></b>
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## **BONHEUR ASA**

### **NOTE 8 – TAXES**

The subsidiary First Olsen Shipping Invest AS has received a notice of change from the Inland Revenue regarding taxable income for 2003. The change may in worst case result in a payable tax of NOK 169 million. The company has appealed the tax assessment.



# BONHEUR ASA

## NOTE 9 - PROFORMA GROUP ACCOUNTS

### **BONHEUR ASA**

#### **First quarter 2007 (first quarter 2006)**

- **Result after tax and minorities was 176.4 million (154.3 million)**
- **Result per share was NOK 5.50 in the quarter (NOK 4.70)**
- **Continued strong markets within offshore drilling**
- **Sale of Knock Stocks with delivery in May**
- **The Norcliff ro-ro vessel delivered to new owners, sales gain USD 6.7 million**
- **Renewable energy showing progress, result before tax of 25.7 million (negative 6.5 million)**
- **Cruise segment growth. Result before tax 26.2 million (6.4 million)**

## **FINANCIAL INFORMATION**

*Figures in NOK unless otherwise stated. The figures for the corresponding period 2006 in parenthesis.*

During the first quarter 2006, Bonheur increased its ownership in Ganger Rolf ASA to 51.28% (previously 49.67%). Consequently, Ganger Rolf was fully consolidated in the accounts as a subsidiary of Bonheur as from the fourth quarter of 2006. As Bonheur and Ganger Rolf have a joint ownership of their most important investments, the purchase also entailed the full consolidation in the accounts of a number of companies previously recognized as associated companies. In addition, some investments previously entered at cost, were now consolidated according to the equity method.

When preparing the Bonheur proforma accounts for the first quarter of 2007, the first quarter 2006 and the annual accounts for 2006 were reworked in order to show comparable results and balances.



## BONHEUR ASA

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

	1Q07	1Q06 proforma	2006 proforma
Operating revenue	1 647,0	1 476,0	6 502,5
EBITDA	640,2	552,8	2 602,6
EBIT	418,3	362,3	1 792,0
Net result after tax	338,8	297,6	1 545,7
Majority's share of net result	176,4	154,3	822,1
Average number of shares outstanding	40 789 308	40 789 308	40 789 308
Basis result per share NOK	5,5	3,8	25,9
Net interest bearing liabilities	7 634,8	6 525,9	7 543,9

The operating revenue amounted to 1,647 million (1,476 million) in the quarter. The revenue increase of 171 million is mainly related to Offshore drilling (31 million), Renewable energy (50 million) and Cruise (90 million). Tankers had a decrease of 26.5 million compared to the corresponding quarter of 2006.

The operating result before depreciation (EBITDA) amounted to 640.2 million (552.8 million). After depreciation of 221.9 million (190.5 million), the operating result (EBIT) was 418.3 million (362.3 million).

Net financial items were negative in the quarter with 46.2 million (negative 6.7 million). The deterioration was due to the fact that last year's corresponding quarter included a sales gain of 54 million from a sale of art in Ganger Rolf. Forward exchange contracts and interest instruments were valued at fair value by the end of the quarter.

Group result after estimated tax was 338.8 million (297.6 million), of which 176.4 million (154.3 million) accrued to majority interests.

Minority interests amounted in the quarter amounted to 162.4 million (143.3 million) and consisted of shares of 48.72% in Ganger Rolf, 46.00% in Fred. Olsen Energy ASA and 42.30% in Fred. Olsen Production ASA.



# BONHEUR ASA

## AREAS OF ACTIVITY

In the following, we are referring to the Group's consolidated areas of activity with comparable figures from earlier periods in parenthesis.

The tables show how the results of the various areas of activity have been consolidated in Bonheur, unless otherwise indicated. Due to different Group internal eliminations, the figures are not necessarily identical with individual company accounts.

## ENERGY SERVICES

### Offshore Drilling

(Figures in NOK million)	1Q 07	1Q 06
Operating revenues	967	936
EBITDA	413	425
EBIT	304	313
Net result	282	217

### Bulford Dolphin

(Figures in NOK million)	1Q 07	1Q 06	(Figures in USD million)	1Q 07	1Q 06
Operating revenues	53	42	Operating revenues	9	6
EBITDA	51	34	EBITDA	8	5
EBIT	46	26	EBIT	7	4
Net result	46	26	Net result	7	4

The Bulford Dolphin drilling rig, which is owned by a subsidiary of First Olsen Ltd, has been on contract with Equator Exploration Ltd. offshore Nigeria during the first quarter. The contract continues until 1 February 2008. The rig operates in a pool with four other rigs, which are controlled by Fred. Olsen Energy ASA (FOE). The operation in Nigeria is influenced by certain unstabilities See further comments in the excerpts from FOE's report for the first quarter 2007 below.

During the quarter, the rig had operating revenue of USD 8.5 million (USD 6.3 million) and an operating result (EBITDA) of USD 8.1 million (USD 5.1 million). The first quarter net result was USD 7.0 million (USD 3.5 million).

### Fred. Olsen Energy ASA

(Figures in NOK million)	1Q 07	1Q 06
Operating revenues	967	936
EBITDA	363	392
EBIT	259	287
Net result	236	191



## BONHEUR ASA

**Extracts from Fred. Olsen Energy's (FOE) report for the first quarter 2007  
(on a 100% basis)**

**Kindly note that FOE shows fourth quarter 2007 in brackets, while Ganger Rolf compares with first quarter 2006.**

*“Operating revenues in the quarter were 967.1 million (965.2 million), an increase of 1.9 million compared with the previous quarter. Reduced revenues from Bredford Dolphin, due to the scheduled class renewal survey and upgrade at Remontowa shipyard in Gdansk, Poland, were offset by higher dayrates for Borgland Dolphin, Borgholm Dolphin and Bulford Dolphin within the offshore drilling division.*

*Bulford Dolphin (owned by First Olsen Ltd. and operated in a pool with four of the Company's own units) continued its operations for Equator Exploration Ltd. offshore Nigeria. In March a crew member from the rig was abducted when a number of unidentified persons boarded the rig. These persons left the rig immediately afterwards taking one hostage with them. The crew member was released unharmed after four days. Additional measures have been taken to improve the safety for the rig and its crew.*

*Revenues within the engineering and fabrication division were 47.4 million, of which 10.0 million were related to inter-company activities and eliminated in the consolidated accounts.*

*Operating costs were 604.5 million (622.4 million), a decrease of 17.9 million compared with the 4th quarter 2006. Operating costs within the offshore drilling division decreased by 55.1 million. The decrease is mainly due to lower operating cost for Bredford Dolphin during yard stay and management bonus for 2006, which was accounted for in the previous quarter. Operating costs within the engineering and fabrication division increased by 37.2 million, which is mainly related to a gain on pension assets in the 4th quarter 2006 which was accounted for as a reduction of operating costs.*

*Operating profit before depreciation (EBITDA) was 362.6 million (342.8 million).*

*Depreciation amounted to 115.7 million (120.5 million).*

*Operating profit after depreciation (EBIT) was 246.9 million (202.4 million).*

*Net financial expenses were 17.4 million (16.5 million). Capitalized interest expenses related to Blackford Dolphin in the 1st quarter amount to 24.2 million.*

*Profit before tax was 229.5 million (185.9 million).*

*Net profit, including an estimated tax charge of 5.9 million (9.7 million), was 223.6 million (176.2 million).*

*Basic earnings per share were 3.4 (2.7).*

*The Board of Directors will propose to the Annual General Meeting on 24th May 2007 a dividend payment of NOK 10, - per share for 2006. Subject to the dividend proposal being resolved, the shares will be quoted ex. dividend from 25th May. Estimated date of payment of dividend is 8th June.*



## BONHEUR ASA

The **offshore drilling division** reported revenues of 929.7 million (930.1 million) and an EBITDA of 362.0 million (307.3 million).

The **engineering and fabrication division** reported revenues of 47.4 million (72.9 million) and an EBITDA of 2.8 million (85.5 million).

### Outlook

Globally, the balance between supply and demand for offshore drilling units continued to be tight in all segments. The high demand for offshore drilling services is expected to continue during the next years.

When the upgrade of Blackford Dolphin is completed, 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. The Group is also operating one mid water semi submersible drilling rig owned by a related company. Two of the semi submersible drilling rigs are operating in Norway. Upon completion of the Bredford Dolphin upgrade the Group will have three drilling rigs operating in Norwegian waters."

### Floating production

(Figures in NOK million)	1Q 07	1Q 06	(Figures in USD million)	1Q 07	1Q 06
Operating revenues	97	106	Operating revenues	16	16
EBITDA	27	52	EBITDA	4	8
EBIT	5	23	EBIT	1	3
Net result	-24	15	Net result	-4	2

Fred. Olsen Production (FOP) had three of its units on contract during the quarter. FPSO Knock Adoon was operating for Addax in Nigeria, FPSO Petróleo Nautipa (50% owned by FOP) was operating offshore Gabon on a contract for Vaalco and FSO Knock Nevis was operating for Maersk Oil Qatar (MOQ). In addition, the company operated MOPU Marc Lorenceau, which was sold to Addax in 2006. The operations proceeded satisfactorily during the quarter. The preparations for the conversion of Knock Allan have started and work at the yard is expected to begin in the course of the third quarter. After the conversion, FPSO Knock Allan will be operating for CNR in Gabon.

FSO Knock Dee carried out repairs, maintenance and class work at Dubai Drydocks. The work is expected to be completed during the month of May. Both FSO Knock Dee and FPSO Knock Taggart are being marketed towards new projects within storage and floating production.

In March, an agreement was entered into with MOQ for the upgrading of the import capacity of the storage vessel Knock Nevis. Capital costs in connection with this project will be carried by MOQ. The agreement contains a compensation mechanism expected to yield an increased EBITDA contribution to FOP of a total of USD 3-5 million in 2008 and 2009, assuming that certain targets relating to time and cost are met.

In connection with a reorganizing and restructuring of the floating production activities, FOP was turned into a public limited company - ASA. In February, the company carried out a private placing totalling 44 million new shares at NOK 27.- per share and gross proceeds of NOK 1,188 million. The placing was oversubscribed with both Norwegian and foreign investors participating in the placing. As mentioned below, Oslo Stock Exchange resolved to



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list the company, provided that the company meet the requirement for the number of lots/shareholders before the first day of listing. The first day of listing is planned for 11 May.

The operating revenue amounted to USD 15.6 million (USD 15.8 million) in the quarter. EBITDA was USD 4.3 million (USD 7.7 million), the decrease reflecting the fact that both Knock Taggart and Knock Dee were on contract during the corresponding quarter last year.

After depreciation of USD 3.5 million (USD 4.3 million), the operating result (EBIT) amounted to USD 0.8 million (USD 3.5 million). The result before tax was negative with USD 3.8 million (positive USD 2.1 million).

### RENEWABLE ENERGY

(Figures in NOK million)	1Q 07	1Q 06
Operating revenues	94	44
EBITDA	76	33
EBIT	49	11
Net result	25	-6

Fred. Olsen Renewables (FOR) owns and operates three wind farms in Scotland. By the end of the quarter, the company had 166 MW in production, 12.5 MW under construction and consents of 250 MW, where construction had not yet started.

FOR had operating revenue of 94.1 million (44.3 million) based on a total production of 145.0 GWh (80.6 GWh). The increase reflects the start-up of Paul's Hill (64.4 MW), as well as better wind conditions than in the same period of last year. Nevertheless, both quarters were below the long term wind speed average.

The operating result before depreciation (EBITDA) was 76.3 million (32.3 million), while the result after depreciation (EBIT) amounted to 48.9 million (10.9 million). The result before tax was 25.7 million (negative 6.5 million).

The work on Crystal Rig, extending it by 12.5 MW to 62.5 MW, is under way and is expected to be completed in the second quarter 2007. The preparations for the expansion of Crystal Rig II to between 120 MW and 150 MW have started. Mid Hill (50 MW) has a consent, but construction has been postponed pending for grid connection. An extension of the Mid Hill to 75 MW has been applied for.

In March, a consent was given for the construction of Windy Standard II (90 MW) in Scotland, with FOR having an ownership interest of 50% in cooperation with a British company. Here too, uncertainty exists as to when the grid connection can be established.

The Norwegian Water Resources and Energy Directorate gave consent to build a 102 MW windfarm in December 2006. The zoning-plan was 8 May 2007 approved by Farsund city counsel. Both the County Governor of Vest-Agder and the Vest-Agder regional authority have appealed the decisions.





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## SHIPPING

### Tankers

(Figures in NOK million)	1Q 07	1Q 06	(Figures in USD million)	1Q 07	1Q 06
Operating revenues	45	72	Operating revenues	7	11
EBITDA	25	32	EBITDA	4	5
EBIT	8	25	EBIT	1	4
Net result	6	25	Net result	1	4

The tanker market has been subject to strong fluctuations during the first quarter and, in some cases, considerable variations between the different types of tonnage. Towards the end of the quarter, however, a temporary weakening in the rate levels occurred. The negative development for single hull vessels has continued in the second quarter.

During the quarter, First Olsen Ltd. (FOL) has owned and operated three Suezmax tankers, two single hull vessels and one double hull vessel built in 1998. All three vessels have been sailing on time charter agreements for a large part of the quarter. The average rate level for single hull vessels was USD 15,000 per day (USD 35,100) during the quarter, while Knock Sheen was operating under a three years time charter agreement with a net rate of USD 39,000 per day.

In January an agreement was entered into concerning the sale of Knock Stocks to French interests with delivery early in May. Net sales gain on Group level is estimated at USD 19.6 million and will be accounted for in the second quarter 2007.

An agreement has also been signed for the sale of Knock Allan to a subsidiary of FOP in connection with a contract within floating production for CNR in Gabon. The vessel will be delivered in the third quarter in connection with the starting-up of the conversion work.

Total freight revenue amounted to USD 6.7 million (USD 10.7 million). The operating result (EBITDA) was USD 4.0 million (USD 4.8 million), while the net result for the quarter amounted to USD 0.9 million (USD 3.8 million).

### Cruise

(Figures in NOK million)	1Q 07	1Q 06	(Figures in GBP million)	1Q 07	1Q 06
Operating revenues	386	296	Operating revenues	32	25
EBITDA	81	23	EBITDA	7	2
EBIT	36	6	EBIT	3	1
Net result	32	3	Net result	3	0

The cruise activities include the four vessels MS Braemar, MS Black Watch, MS Black Prince and MS Boudicca, which are operated by Fred. Olsen Cruise Lines in the British market. In addition, the cruise vessel Norwegian Crown was taken over in September 2006 with a lease-back to the seller until November this year. After upgrading and approximately 30 metres lengthening which will increase the capacity by roughly 35%, the vessel will come into operation for Fred. Olsen Cruise Lines by the end of January 2008, carrying the name MS Balmoral.



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Black Watch has conducted a successful 78 days cruise round Africa, as well as destinations in the Arab Emirates. By the end of the quarter, the vessel started a planned docking at a yard in France. Braemar operated its winter programme with fly-cruise in the Caribbean. Boudicca conducted, among other things, a 48 days cruise to Central America, while Black Prince conducted various cruises from the UK to the Canary Islands.

The operating revenue amounted to 385.6 million (296.1 million) in the quarter. The revenue increase of 89.5 million is due to the fact that Boudicca was operating during the whole quarter (against two months in the corresponding quarter of 2006), as well as the revenue from chartering out Norwegian Crown.

EBITDA was 81.5 million (23.4 million), while the result before tax was 26.2 million (6.4 million). The improvement in results was due both to the increased capacity as mentioned above, and to the fact that the first quarter 2006 had been charged with costs related to the starting up and introduction of MS Boudicca.

### **OTHER SHIPPING ACTIVITIES**

The segment consists mainly of a 55% ownership in the Moroccan ferry company Comarit SA and an ownership of 49.5% in the shipping investment company Oceanlink Ltd. The companies are consolidated as associated companies in Group accounts.

#### **Comarit SA**

During the quarter Comarit operated its four owned vessels, as well as one chartered vessel, on the three shipping lines which operate on a full year basis. Traffic was in line with last year, but with a weaker development on the line Tanger - Algeciras, where aggressive pricing from competing operators caused a somewhat lower volume. The quarter is low season

Operations proceeded satisfactorily in the quarter, except for MV Biladi operating on the line Tanger - Sète (France). The vessel experienced technical problems and replacement tonnage was chartered in for a period. The vessel was repaired and a regular docking carried out at the same time.

The operating revenue of Comarit was 121.5 million (84.5 million) and the result before depreciation (EBITDA) was positive with 4.7 million (negative 15.7 million). The result after tax was negative with 18.1 million, (negative 35.5 million).

#### **Oceanlink Ltd.**

Oceanlink Ltd. is focusing its activities as a finance oriented shipping company by actively making use of both the Norwegian, as well as international capital markets. The company limits its market risk through period charter parties or sailing in a shipping pool.

For the time being, the company is mainly engaged in activities within reefers and anchor handling/supply vessels, but is also operating a container vessel on t/c to Japanese charterers.

In the first quarter 2007, Oceanlink had gross freight revenue of USD 8.3 million and an operating result (EBITDA) of USD 2.25 mill. The company had a marginally positive result. The result was marked by a number of technical operating problems in the quarter with ensuing low operating regularity.



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### **Ivarans Container Ltda**

Ivarans Container Ltda is a wholly owned subsidiary of the First Olsen Group with offices in Rio de Janeiro, Brazil. The company owns and rent out a terminal in the port Santos.

### **OTHER INVESTMENTS**

The segment consists mainly of an ownership of 50% in the amusement park TusenFryd, an ownership of 12.6% in IT Fornebu / IT Fornebu Eiendom, an ownership of 35.6% in Genomar, as well as an ownership of 32.6% in NHST Media Group AS. In addition, the service companies Fred. Olsen Brokers AS and Fred. Olsen Travel AS are also to be found in this segment.

### **TusenFryd**

TusenFryd opened the 2007 season on 20 April, so as in earlier years there has not been any significant income-producing activity during the quarter.

The popular roller coaster "Thunder Coaster" opened in 2001 has been considerably upgraded including a challenging tunnel at the bottom of a steep descent. Furthermore, investments have been made in a further embellishment of the park and in the offering of food and healthier menus. In 2007, TusenFryd will appear as the first smoke-free amusement park in Norway.

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

The first quarter 2007 was still profiting from a strong market for renting out property. The terminal building at 38,000 sqm and the rest of the buildings have been fully rented and some vacant space is only to be found in the old SAS building at Snarøyveien 57.

The construction work for the first two building stages of the new portal building (about 13,000 sqm) will start in 2007, with lessees planned to be moving in during the first half of 2009. So far, no contracts have been signed for the lease of the new offices.

A final settlement has been signed with the State in the quarter.

Technical manager Kjell Kaland has been given a temporary appointment as general manager after the previous general manager left the company on 15 April 2007.

In December 2006, the owners of IT Fornebu Eiendom (ITFE) established IT Fornebu Holding AS (ITFH). This was done by giving their shares in ITFE as a property deposit in ITFH, which now owns 100% of the shares in ITFE. In the course of the first half year 2007, the properties will be given their individual title number and placed in separate subsidiaries.

### **NHST Media Group AS**

The holding company changed its name from Norges Handels og Sjøfartstidende AS to NHST Media Group at the annual general meeting in April 2007. Bonheur and Ganger Rolf own a total of 32.6% of NHST Media Group AS (NHST) including the newspaper and website Dagens Næringsliv and dn.no, as well as the newspapers TradeWinds, Upstream, Europower, Fiskaren and Nautisk Forlag.



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In the quarter, it was announced that a lifestyle weekly magazine will be launched in the course of 2007.. NHST achieved a turnover of 236.1 million in the quarter, yielding a result before tax of 15.4 million (12.9 million).

### **Genomar ASA**

GenoMar achieved a result close to break-even in the quarter, a result in line with the same period the previous year. The quarter is normally low-season for the company and the maximum demand for young fish traditionally takes place in the second quarter.

The company carried out a share buy-back of 100,000 own shares which originally constituted a property deposit for the purchase of the breeding stock from the GIFT Foundation in 1999.



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(NOK million) - unaudited

## CONSOLIDATED

### INCOME STATEMENT

	Jan-Mar 2007	Jan-Mar 2006	Jan-Dec 2006
Revenues	1 647,0	1 476,0	6 502,5
Operating costs	-1 006,8	-923,2	-3 899,9
Depreciation / write down	-221,9	-190,5	-810,6
Operating result	418,3	362,3	1 792,0
Share of result from associated companies	-10,7	-18,4	30,3
Result before finance	407,6	344,0	1 822,3
Financial revenues	96,1	181,6	435,2
Financial costs	-142,3	-188,3	-672,2
Net financial items	-46,2	-6,7	-237,0
Result before tax from continuing operations	361,4	337,3	1 585,3
Estimated tax cost (-) / -income	-22,6	-39,7	-39,6
Result after tax from continuing operations	338,8	297,6	1 545,7
Net result from discontinuing operations	-	-	-
<b>Net result after estimated tax</b>	<b>338,8</b>	<b>297,6</b>	<b>1 545,7</b>
Hereof minority interests 2)	162,4	143,3	723,6
Hereof majority interests	176,4	154,3	822,1
Basic earnings / Diluted earnings per share (NOK) 1)	5,5	4,7	25,1 / 24,8
Basic earnings /Diluted earnings per share from continued operations (NOK ) 1)	5,5	4,7	25,1 / 24,8
Basic earnings / Diluted earnings per share from discontinued operations (NOK) 1)	-	-	-

1) Figures 1 quarter 2006 restated due to split of shares

2) The minority interests consist of 46.00% from Fred. Olsen Energy ASA, 48.72% from Ganger Rolf ASA and 42.30% from Fred. Olsen Production ASA.



# BONHEUR ASA

## CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSES

(NOK million)

	Jan-Mar 2007	Jan-Mar 2006
Foreign exchange translation effects:		
- Recognised directly against equity	-158,9	-195,5
- Transferred to income statement	0,0	0,0
Fair value effects:		
- Recognised directly against equity	-4,6	76,8
- Transferred to income statement	0,0	-0,8
Change in equity in associated companies	-0,2	0,0
Increase in equity in subsidiaries	1 151,1	12,3
Other changes directly in equity	1,3	-12,8
<b>Net income recognised directly in equity</b>	<b>988,6</b>	<b>-119,9</b>
<b>Profit for the period</b>	<b>338,8</b>	<b>297,6</b>
<b>Total recognised income and expense for the period</b>	<b>1 327,4</b>	<b>177,7</b>
<b>Attributable to:</b>		
Equity holders of the parent	193,4	93,7
Minority interests	1 134,0	84,0
<b>Total recognised income and expense for the period</b>	<b>1 327,4</b>	<b>177,7</b>

1) The minority interests consist of 46.00% from Fred. Olsen Energy ASA, 48.72% from Ganger Rolf ASA and 42.30% from Fred. Olsen Production ASA.



# BONHEUR ASA

## CONSOLIDATED ACCOUNTS - PROFORMA

<b>BALANCE SHEET</b>	<b>31.03.2007</b>	<b>31.03.2006</b>	<b>31.12.2006</b>
Intangible fixed assets	162,2	132,4	146,9
Deferred tax asset	119,8	18,1	115,8
Property, plant and equipment	12.099,5	9.323,9	12.113,3
Investments in associated companies	207,5	193,9	216,4
Other financial fixed assets	580,2	653,3	590,3
<b>Non-current assets</b>	<b>13.169,3</b>	<b>10.321,5</b>	<b>13.182,7</b>
Inventories and consumable spare parts	254,5	199,5	267,4
Trade and other receivables	1.516,7	1.792,3	1.501,6
Cash and cash equivalents	4.965,1	3.123,3	3.581,3
<b>Current assets</b>	<b>6.736,2</b>	<b>5.115,2</b>	<b>5.350,3</b>
<b>Total assets</b>	<b>19.905,5</b>	<b>15.436,7</b>	<b>18.533,0</b>
Share capital	51,0	51,0	51,0
Share premium reserve	25,9	25,9	25,9
Retained earnings	5.291,1	4.118,2	5.097,7
Equity owned by the shareholders in the parent company	5.368,0	4.195,1	5.174,6
Minority interests 1)	4.932,4	2.960,4	3.798,4
<b>Equity</b>	<b>10.300,5</b>	<b>7.155,5</b>	<b>8.973,1</b>
Non-current interest bearing liabilities	6.965,0	6.071,3	6.911,6
Other non-current liabilities	710,9	632,6	671,7
<b>Non-current liabilities</b>	<b>7.675,9</b>	<b>6.703,9</b>	<b>7.583,3</b>
Current interest bearing liabilities	669,8	454,6	632,3
Other current liabilities	1.259,3	1.122,6	1.344,4
<b>Current liabilities</b>	<b>1.929,1</b>	<b>1.577,3</b>	<b>1.976,6</b>
<b>Total equity and liabilities</b>	<b>19.905,5</b>	<b>15.436,7</b>	<b>18.533,0</b>

1) The minority interests consist of 46.00% from Fred. Olsen Energy ASA, 48.72% from Ganger Rolf ASA and 42.30% from Fred. Olsen Production ASA.



# BONHEUR ASA

## Consolidated cash flow statement - proforma

<i>(NOK million)</i>	<b>Jan-Mar 2007</b>	<b>Jan-Mar 2006</b>
<b>Cash flow from operating activities</b>		
Net result after tax	338,8	297,8
<i>Adjustments for:</i>		
Depreciation	221,9	190,5
Net of investment income, interest expenses and net unrealized foreign exchange gains	72,1	41,7
Share of result from associated companies	10,7	18,2
Net gain (-) / loss on sale of property, plant and equipment and other investments	-41,8	-54,5
Tax expense	22,6	39,7
<b>Operating profit before changes in working capital and provisions</b>	<b>624,3</b>	<b>533,4</b>
Increase (-) / decrease in trade and other receivables	34,0	-148,5
Increase / decrease (-) in current liabilities	94,9	-145,5
<b>Cash generated from the operations</b>	<b>753,3</b>	<b>239,4</b>
Interest paid	-135,0	-163,5
Tax paid	-2,9	-2,3
<b>Net cash from operating activities</b>	<b>615,3</b>	<b>73,5</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and other investments	82,0	119,3
Interest and dividends received	30,1	35,7
Acquisitions of property, plant and equipment and other investments	-717,7	-660,0
<b>Net cash from investing activities</b>	<b>-605,6</b>	<b>-505,0</b>
<b>Cash flow from financing activities</b>		
Net proceed from issue of shares in subsidiary	1 141,1	0,0
Sale of own shares by subsidiary	0,0	1,7
Increase in borrowings	476,0	3 232,8
Repayment of borrowings	-180,2	-3 017,3
<b>Net cash from financing activities</b>	<b>1 436,9</b>	<b>217,2</b>
Net increase in cash and cash equivalents	1 446,6	-214,2
Cash and cash equivalents at 1 January	3 581,3	3 408,5
Effect of exchange rate fluctuations on cash held	-62,8	-71,0
<b>Cash and cash equivalents at 31 March</b>	<b>4 965,1</b>	<b>3 123,3</b>





# BONHEUR ASA

## Segment proforma

1 quarter	Energy services		Renewable energy		Shipping		Other investments		Total fully consolidated companies	
	1Q. 07	1Q.06	1Q. 07	1Q.06	1Q. 07	1Q.06	1Q. 07	1Q.06	1Q. 07	1Q.06
Fully consolidated companies										
Revenues	1 064	1 041	94	44	473	374	16	17	1 647	1 476
Operating costs	-624	-564	-18	-11	-326	-315	-40	-33	-1 007	-923
Oper.res. before depr. (EBITDA)	440	477	76	33	147	58	-23	-16	640	553
Depreciation	-130	-142	-27	-22	-62	-26	-2	-2	-222	-191
Operating result (EBIT)	309	336	49	11	85	33	-25	-17	418	362

1 quarter	Energy services		Renewable energy		Shipping		Other investments		Total associated companies	
	1Q. 07	1Q.06	1Q. 07	1Q.06	1Q. 07	1Q.06	1Q. 07	1Q.06	1Q. 07	1Q.06
Associated companies										
Revenues	0	0	0	0	67	42	83	73	150	115
Operating costs	0	0	0	0	-64	-50	-81	-73	-146	-123
Oper.res. before depr. (EBITDA)	0	0	0	0	3	-8	1	0	4	-7
Depreciation	0	0	0	0	-11	-8	-5	-5	-16	-14
Operating result (EBIT)	0	0	0	0	-8	-16	-4	-5	-12	-21

## Reconciliation of movements in capital and reserves

(NOK million)

	Share Capital	Share premium	Translation reserve	Fair value reserve	Own shares 1)	Retained earnings	Total	Minority interests	Total equity
Balance at 1 January 2006	51,0	25,9	77,8	72,1	-13,9	3 888,4	4 101,4	2 876,4	6 977,9
Total recognised income and expense	0,0	0,0	-195,5	76,0	0,0	213,1	93,7	84,0	177,7
Balance at 31 March 2006	51,0	25,9	-117,7	148,2	-13,9	4 101,6	4 195,1	2 960,4	7 155,5
Balance at 1 January 2007	51,0	25,9	-288,9	72,7	-113,3	5 427,2	5 174,6	3 798,4	8 973,1
Total recognised income and expense	0,0	0,0	-158,9	-4,6	0,0	357,0	193,4	1 134,0	1 327,4
Balance at 31 March 2007	51,0	25,9	-447,8	68,1	-113,3	5 784,1	5 368,0	4 932,4	10 300,5

### 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.

### 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 2007 the minority interests consist of 46,00% in Fred. Olsen Energy ASA, 42,30% in Fred. Olsen Production ASA and 48,72% i Ganger Rolf ASA.

### Dividend for 2006

The Board will suggest for the Annual Shareholders' Meeting on 31 May 2007 to pay a dividend of NOK 8.90 per share for 2006.

1) The shares that Ganger Rolf has in Bonheur are classified as own shares.