

3 quarter 2017

27 October 2017

# Bonheur ASA Group - Highlights 3Q 2017

(3Q 16 in brackets)

- Operating revenues were NOK 2 180 million (NOK 3 346 million)
- Operating result before depreciation (EBITDA) was NOK 572 million (NOK 1 343 million)
- Year on year EBITDA improvement of NOK 23 million, apart from Offshore drilling
- Operating result (EBIT) was NOK -96 million (NOK 38 million)
- Net result NOK – 338 million (NOK - 251 million)


Offshore drilling



51.9% Fred. Olsen Energy ASA

- EBITDA NOK 201 mill. (NOK 993 mill.)
- NIBD reduced in the quarter by NOK 986 mill. to NOK 3 412 mill
- Increased tender activity

Renewable energy



100% Fred. Olsen Renewables AS

- EBITDA NOK 137 mill. (NOK 120 mill.)
- Total generation 5 % higher
- «Like for like» generation down 3%, stable adjusted for curtailments

Shipping/Offshore wind



100% Fred. Olsen Ocean Ltd.

- EBITDA NOK 102 mill. (NOK 112 mill.)
- Utilization for installation vessels 73 % (63 %)
- Contract pipeline into year end 2019 covered by 38 % firm contracts
- GWS with quarterly revenue growth of 13%

Cruise



100% Fred. Olsen Cruise Lines Ltd.

- EBITDA NOK 159 mill. (NOK 170 mill.), stable adjusted for currency effects
- Net ticket income per diems up 14 %
- Passenger days decreased with 7%
- Dry dock and upgrades on Balmoral and Braemar planned in Q4

## Bonheur ASA Group - Consolidated summary

(NOK million)	3Q 17	3Q 16	Change in NOK
Revenues	2 180	3 346	-1 165
EBITDA	572	1 343	-770
Depreciation	-652	-802	150
Impairment	-16	-503	486
EBIT	-96	38	-134
Net finance and result from associates	-212	-233	21
EBT	-308	-195	-113
Net result	-338	-251	-87
Shareholders of the parent company *)	-164	-114	-49
<i>Earnings per share (NOK)</i>	-3.8	-2.7	-1.1
<i>Net interest bearing debt (NIBD)</i>	5 683	8 121	-2 438
<i>Equity ratio</i>	38 %	38 %	

\*) The non-controlling interests mainly consist of 47.74% of Fred.Olsen Energy ASA, 44.06% of NHST Media Group AS and 49% in Fred. Olsen Wind Limited (UK).

## Bonheur ASA Group - Segment analysis – Revenues

(NOK million)	<b>3Q 17</b>	<b>3Q 16</b>	Change
Offshore drilling	607	1 778	-1 171
Renewable energy	233	202	30
Shipping/Offshore wind	398	428	-29
Cruise	620	622	-3
Other	323	315	8
<b>Total Revenues</b>	<b>2 180</b>	<b>3 346</b>	<b>-1 164</b>

## Bonheur ASA Group - Segment analysis EBITDA

(NOK million)	<b>3Q 17</b>	<b>3Q 16</b>	Change
Offshore drilling	201	993	-792
Renewable energy	137	120	17
Shipping/Offshore wind	102	112	-10
Cruise	159	170	-11
Other	-27	-52	26
<b>Total EBITDA</b>	<b>572</b>	<b>1 343</b>	<b>-770</b>

## Bonheur ASA Group - Change in net interest bearing debt (NIBD)

(NOK million)

### **NIBD 01.07.17**

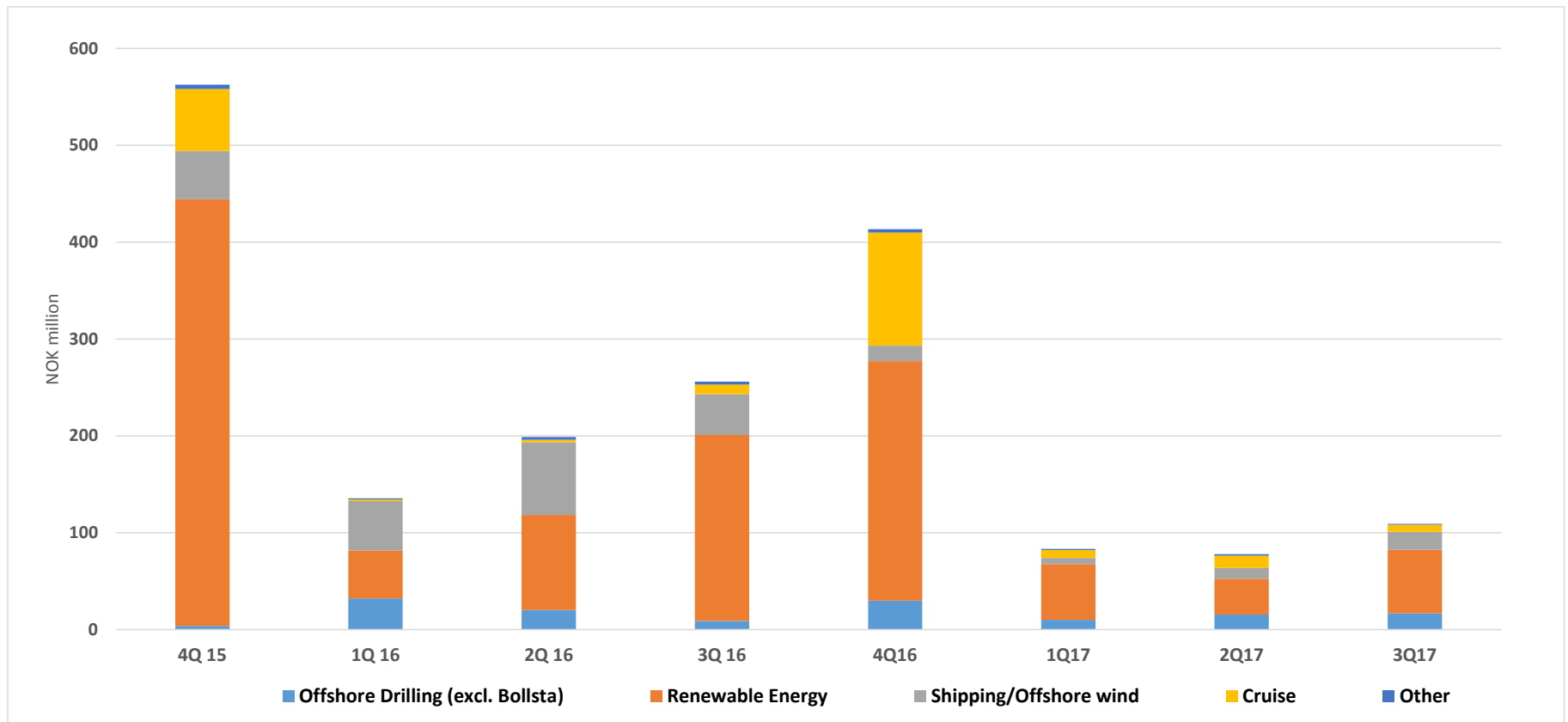
**-6 636**

EBITDA 3Q17	572	
Capex paid	-111	
FX effects on cash position	-185	
FX effects on gross debt position	401	
Taxes paid	-15	
Net Interest paid	-227	
Termination fee from Anadarko (Bolette Dolphin)	763	
Working Capital changes / other	-246	953

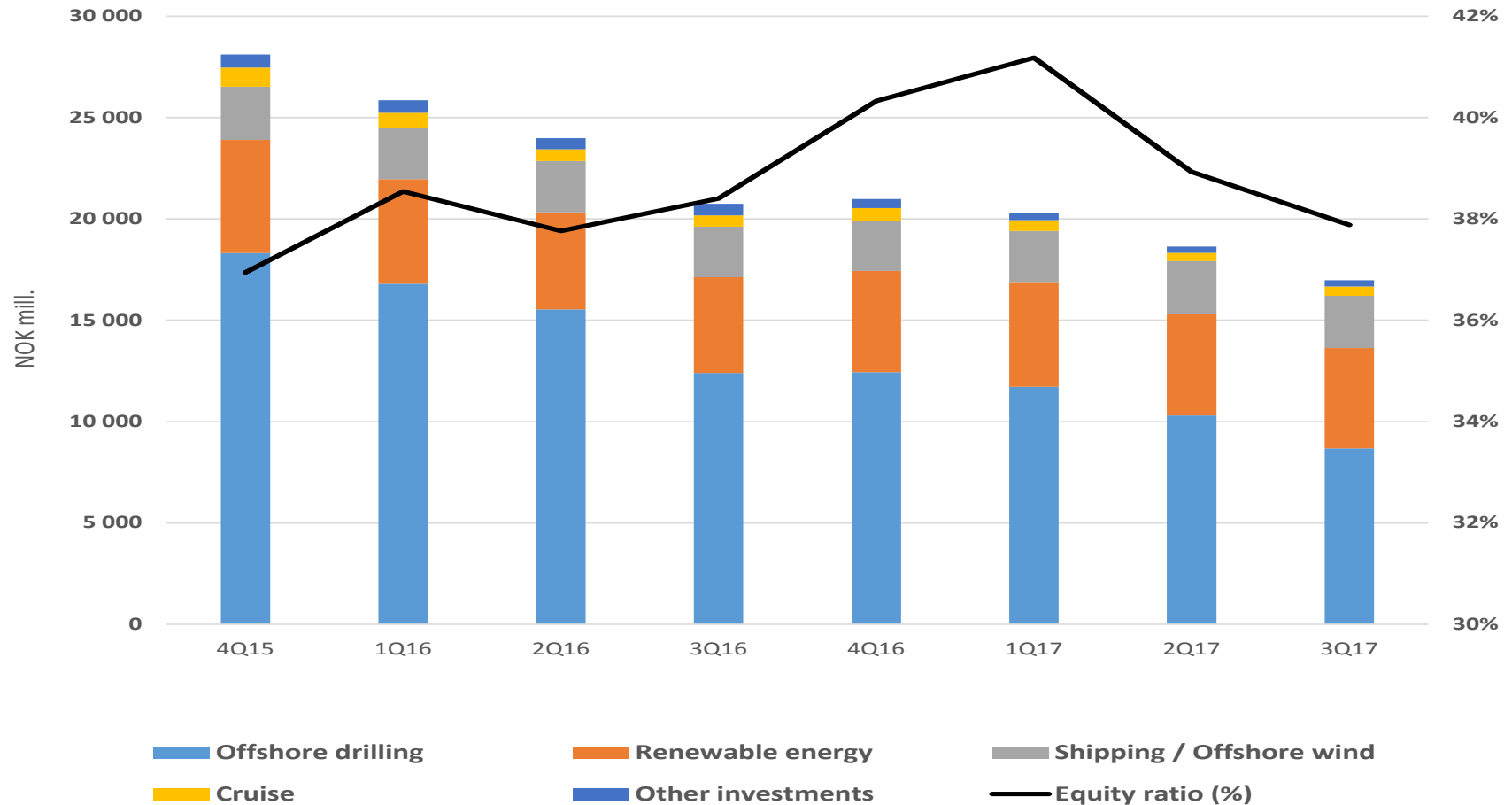
### **NIBD 30.09.17**

**-5 683**

# Bonheur ASA Group – Capex per segment



# Bonheur ASA Group – Capital employed per segment



Capital Employed (CE) = Net interest bearing debt (NIBD) + Equity

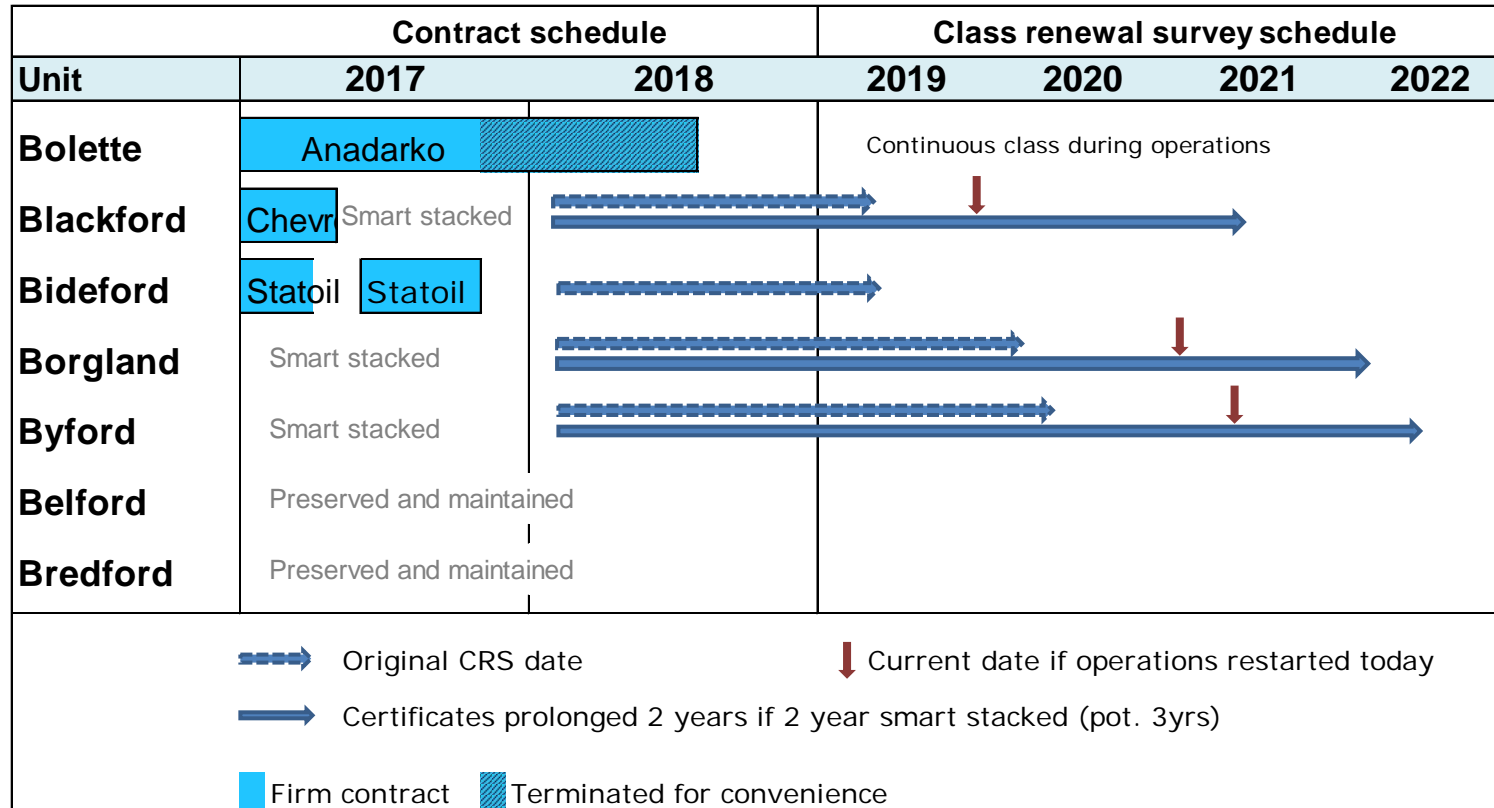
$$\text{Equity ratio (\%)} = \frac{\text{Total equity}}{\text{Total equity and liabilities}}$$





## Offshore drilling

# Contract schedule



# Main focus areas

## Operational excellence

- Deliver consistent high performance and efficient operations
- Prioritize capital expenditures to support high regularity and quality

## New contracts

- Pursue the right contract opportunities for the core units
- Secure contracts with balanced risk profile and acceptable commercial value

## Units ready for operations

- Smart Stacking; preservation, maintenance, regular testing of integrated systems
- Detailed reactivation plans; organizational and operational

## Preserving cash and waiver approval

- Solid cash position at end of quarter
- Waiver of market value and EBITDA related covenants until end of June 2018

## Offshore drilling – Key financials

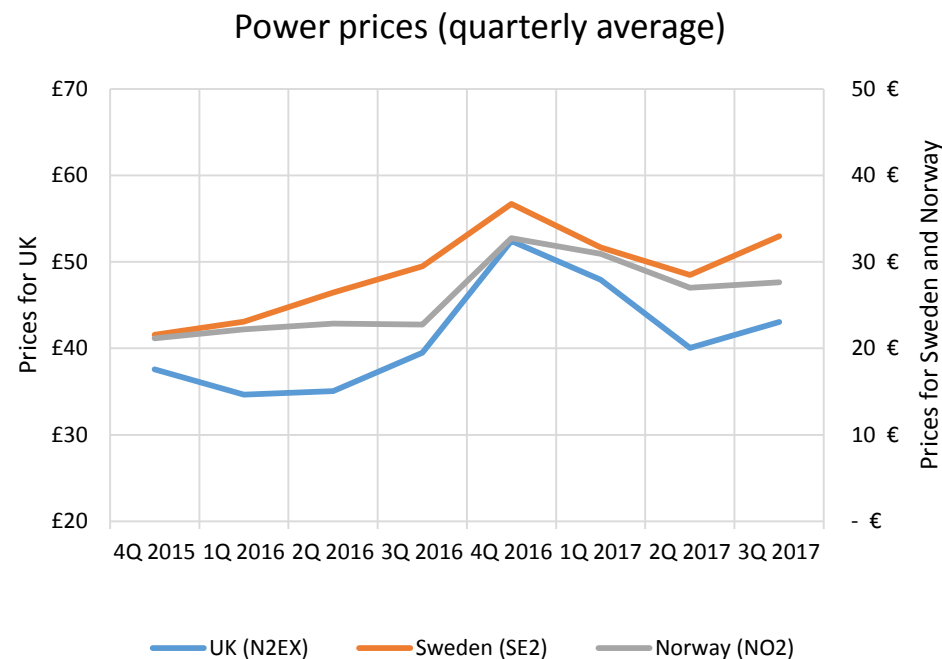
(Figures in NOK million)	3Q 17	2Q 17	3Q 16
Operating revenues	607	466	1 778
EBITDA	201	240	993
EBITDA margin	33 %	52 %	56 %
EBIT	-237	-879	-98
EBT	-363	-984	-241
Net result after tax	-367	-1 046	-277
Capex	17	16	9
Equity	5 264	5 901	6 872
Gross interest bearing debt	7 014	7 349	8 679
- Cash and cash equivalents	3 602	2 951	3 148
= Net interest bearing debt (NIBD)	3 412	4 398	5 531
Capital employed (Equity + NIBD)	8 676	10 299	12 403



## Renewable energy

# Renewable energy

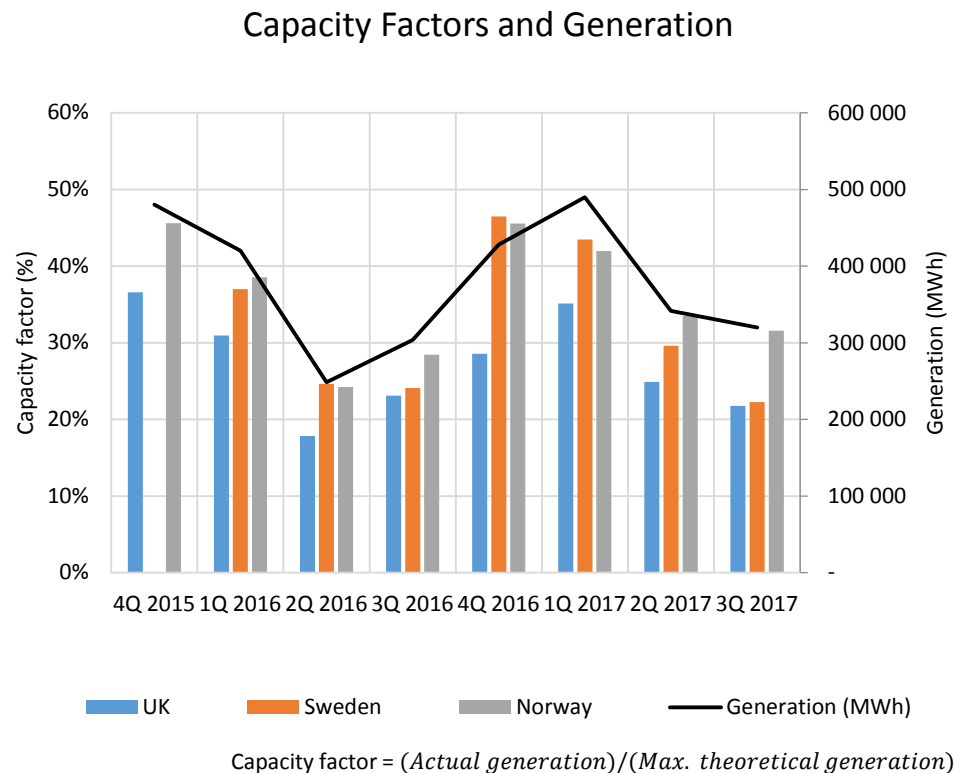
- Power prices (per MWh) in UK, Norway and Sweden were on average £43 (£40), €28 (€23) and €33 (€29), respectively, in the quarter.
- Green certificate prices (per MWh) in Scandinavia have come down materially from an average of SEK 133 in 3Q16 to SEK 57 in 3Q17.



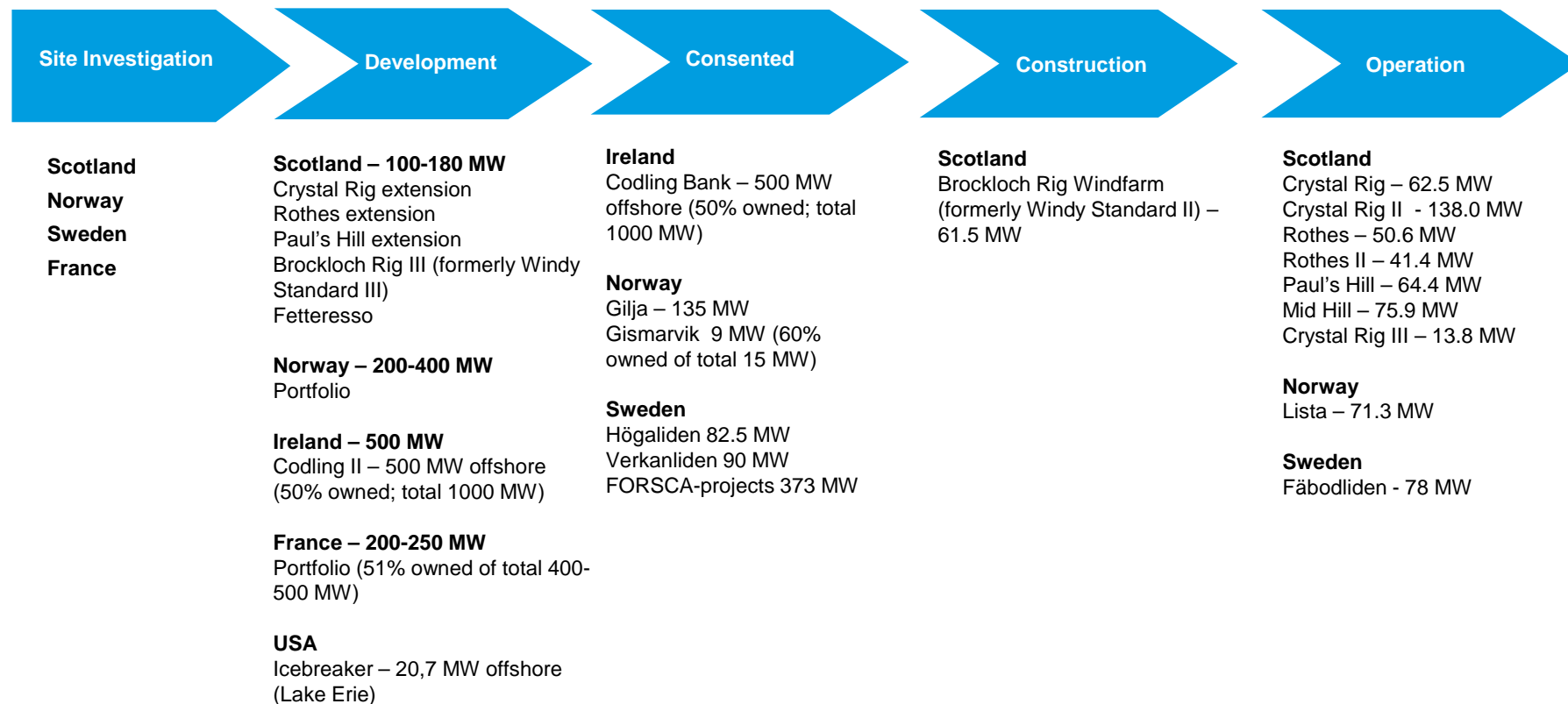
Source: Nordpool

# Renewable energy

- Capacity factors in UK, Norway and Sweden were 21.8% (23.1%), 31.6% (28.4%) and 22.2% (24.1%), respectively, in the quarter.



# Business Model and Project Portfolio



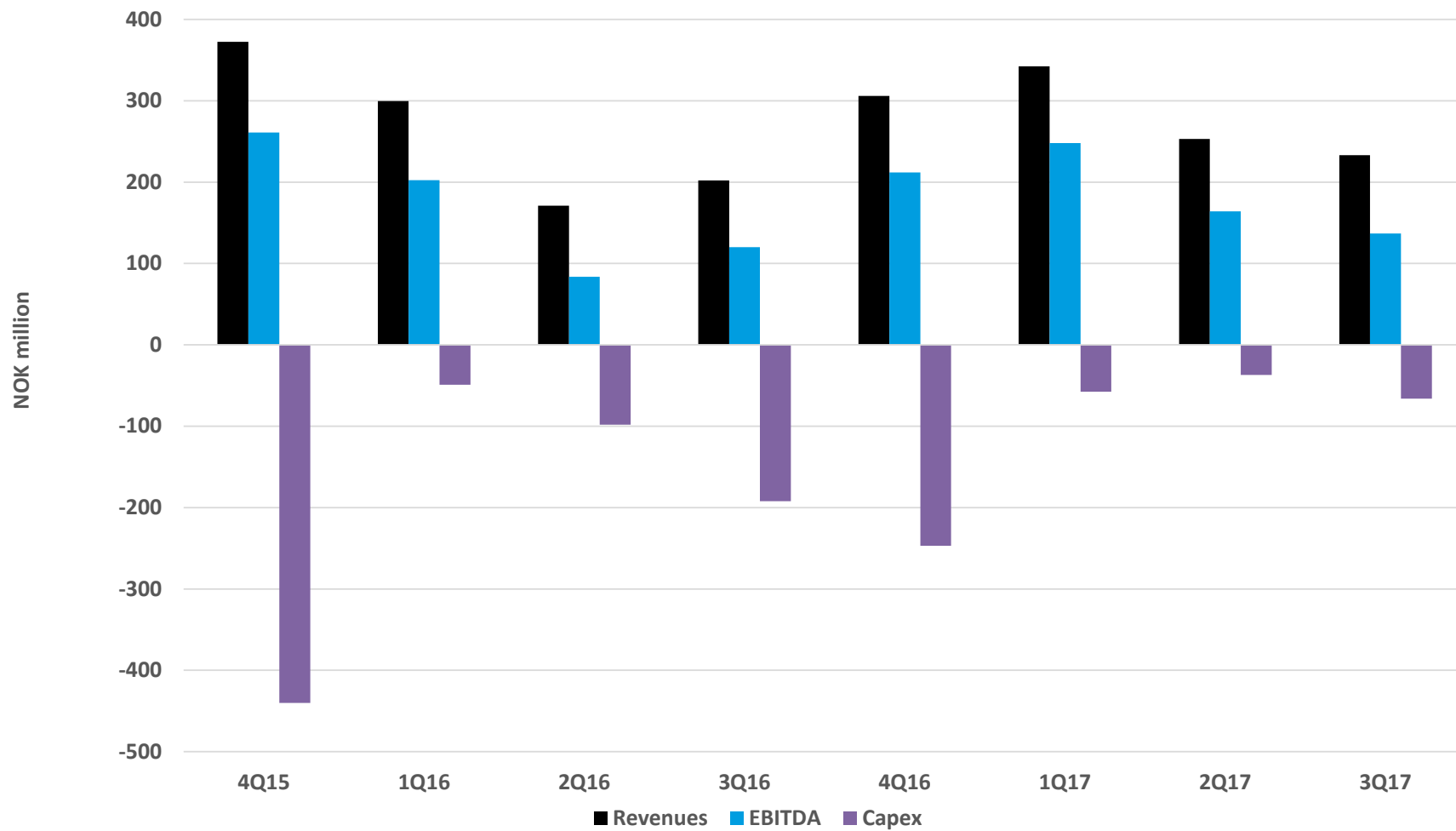
Total portfolio	1 020 – 1 350 MW	1 189.5 MW	61.5 MW	595.9 MW
Onshore portfolio	500 – 830 MW	689.5 MW	61.5 MW	595.9 MW



## Renewable energy - Key financials

(Figures in NOK million)	3Q 17	3Q 16
Operating revenues	233	203
EBITDA	137	120
EBITDA margin	59 %	59 %
EBT	7	-32
Capex	66	192
Equity	2 094	3 427
Gross interest bearing debt	3 843	4 443
- Cash and cash equivalents *)	983	3 141
= Net interest bearing debt (NIBD)	2 860	1 302
Capital employed (Equity + NIBD)	4 955	4 728
<b><i>Hereof outside FOWL:</i></b>		
EBITDA	21	8
Gross interest bearing debt	0	57
Cash and cash equivalents	516	2 641

# Renewable energy – Summary 3Q 17

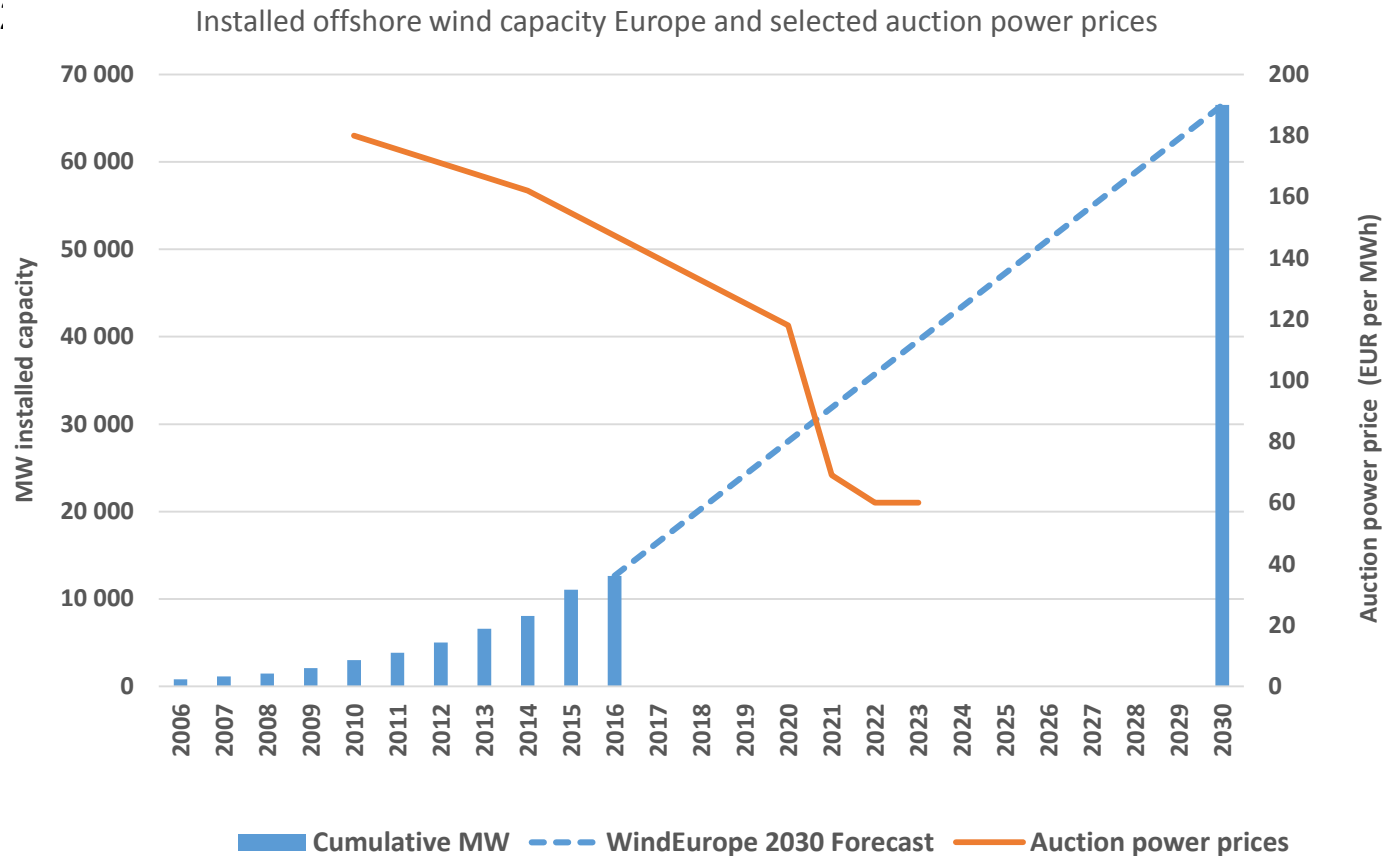




## Shipping / Offshore wind

# Shipping/Offshore wind

- Growth industry, growth market
  - Installed 12 643 MW as per 2016
  - Forecasted to increase to 66 500 MW as per

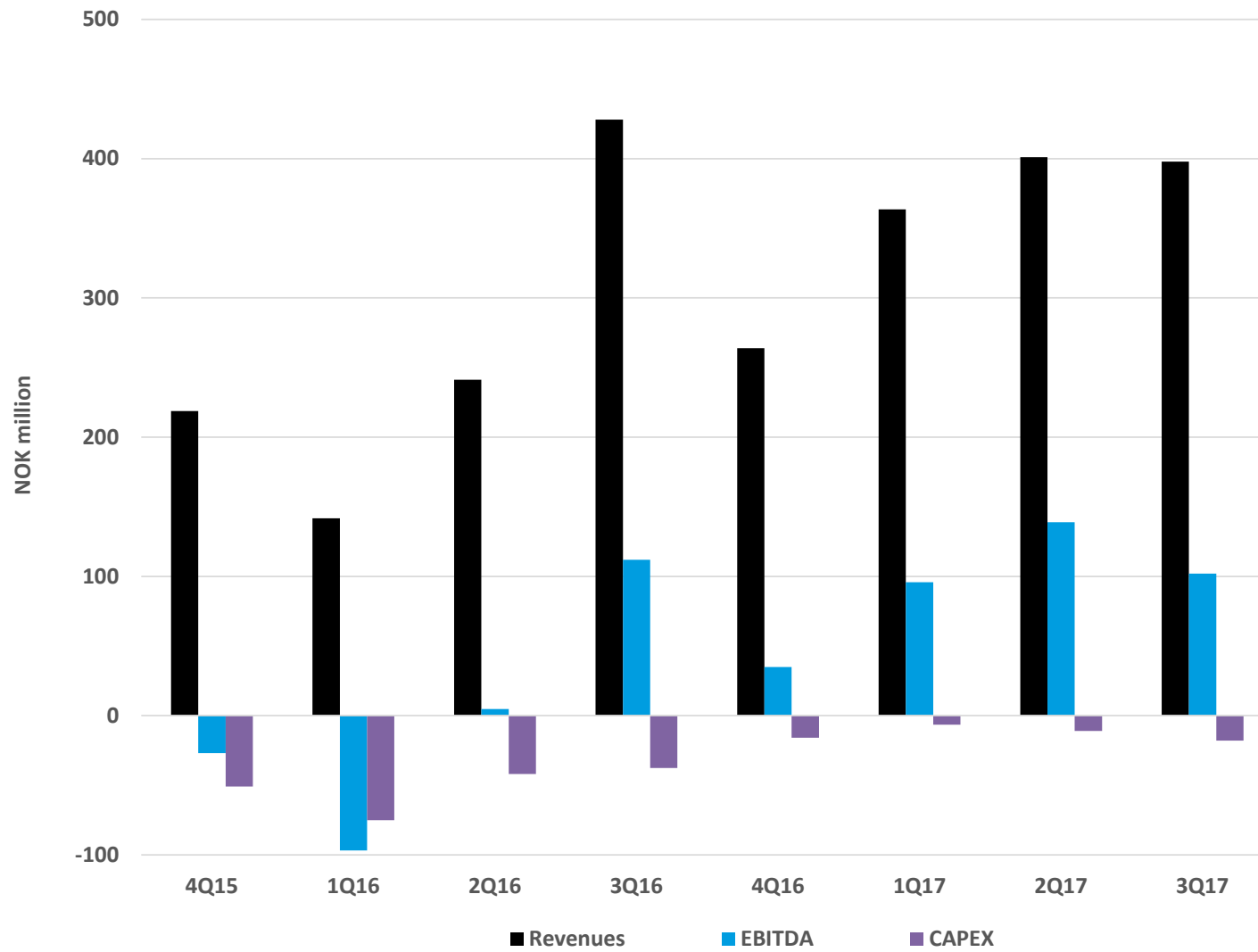


Sources: WindEurope, Fred. Olsen Ocean

## Shipping / Offshore wind – Key financials

(Figures in NOK million)	3Q 17	3Q 16
Operating revenues	398	428
EBITDA	102	112
EBITDA margin	26 %	26 %
EBT	50	49
Capex	18	42
Equity	1 362	1 246
Gross interest bearing debt *)	1 469	1 544
- Cash and cash equivalents	249	306
= Net interest bearing debt (NIBD)	1 220	1 238
Capital employed (Equity + NIBD)	2 582	2 484
*) Hereof internal debt to Bonheur ASA	635	616

# Shipping / Offshore wind – Summary 3Q 17

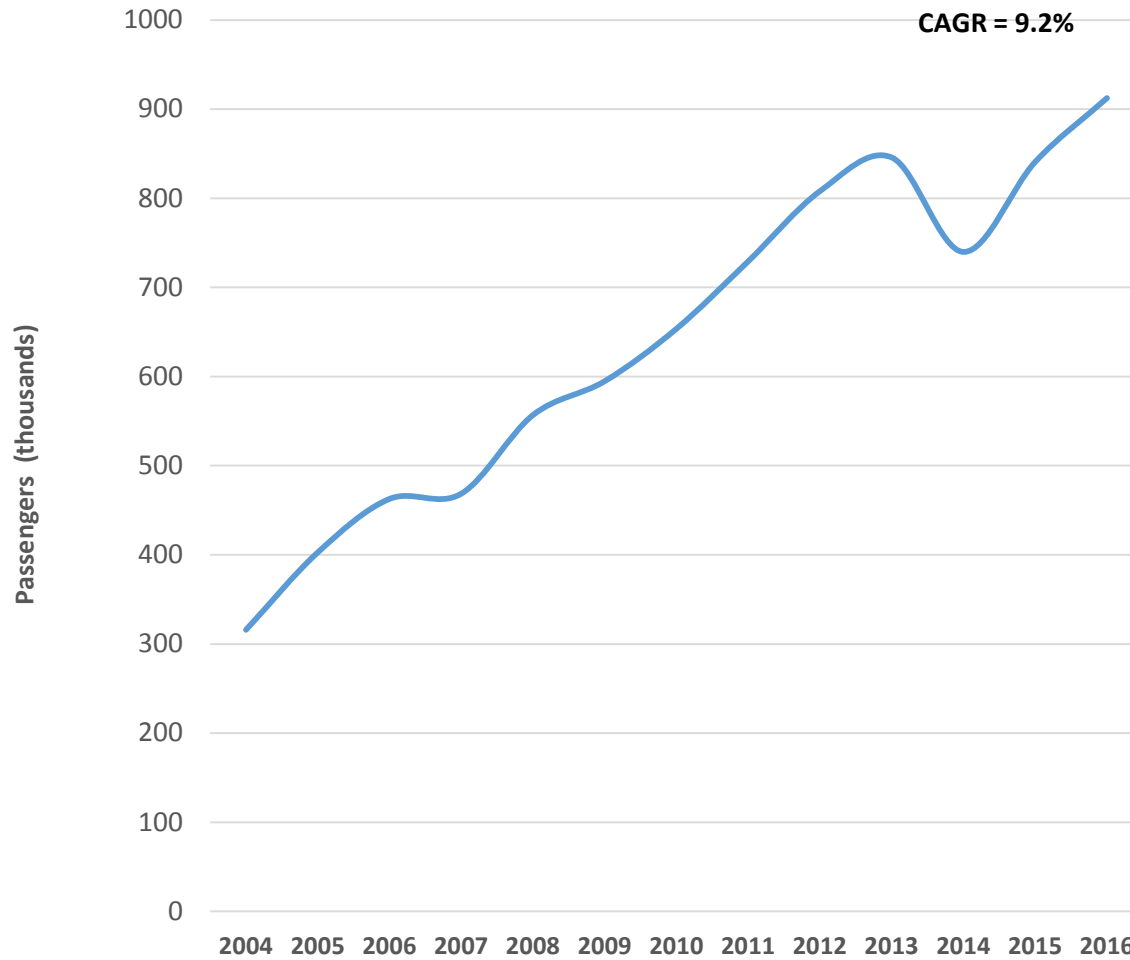




## Cruise

# Cruise

## UK cruise passengers (ex UK cruises)



CAGR = Compound annual growth rate

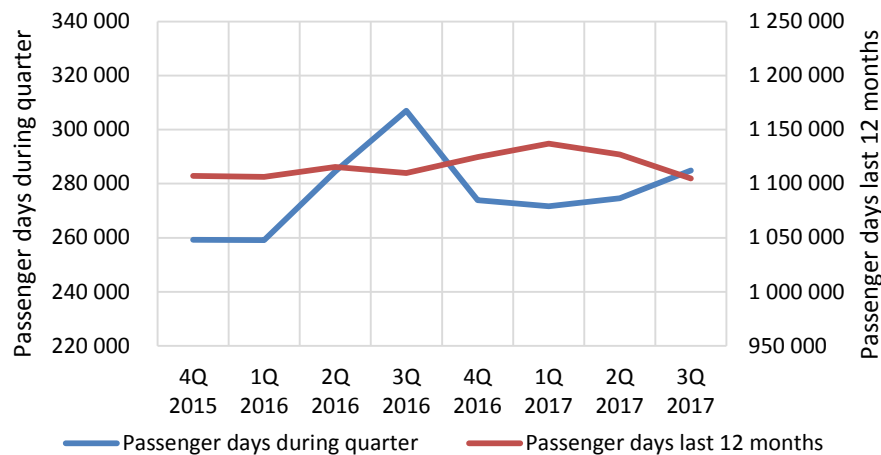
Source: Cruise Lines International Association



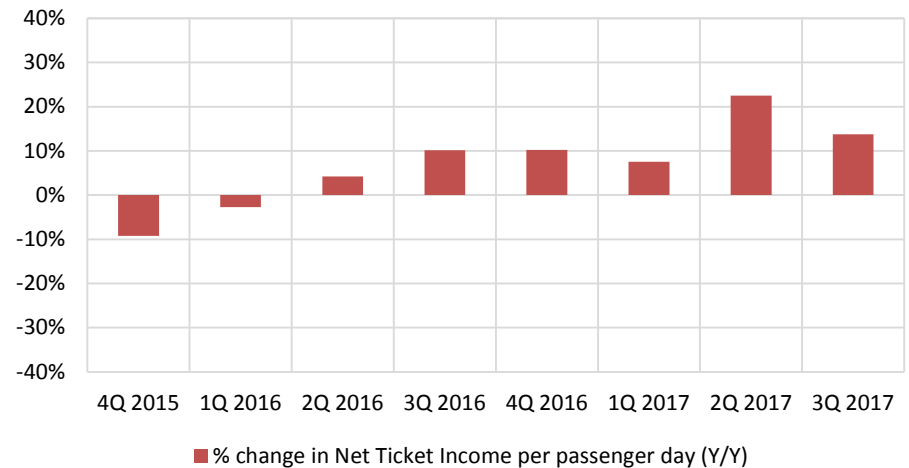
# Cruise

- Passenger days were 284 823 in the quarter (306 961), a decline of 7%.
- Net Ticket Income per passenger day was £161 in the quarter (£141), an increase of 14%
- Weakening of USD/GBP and GBP/NOK - negative impact on EBITDA of NOK 15 million

Passenger days



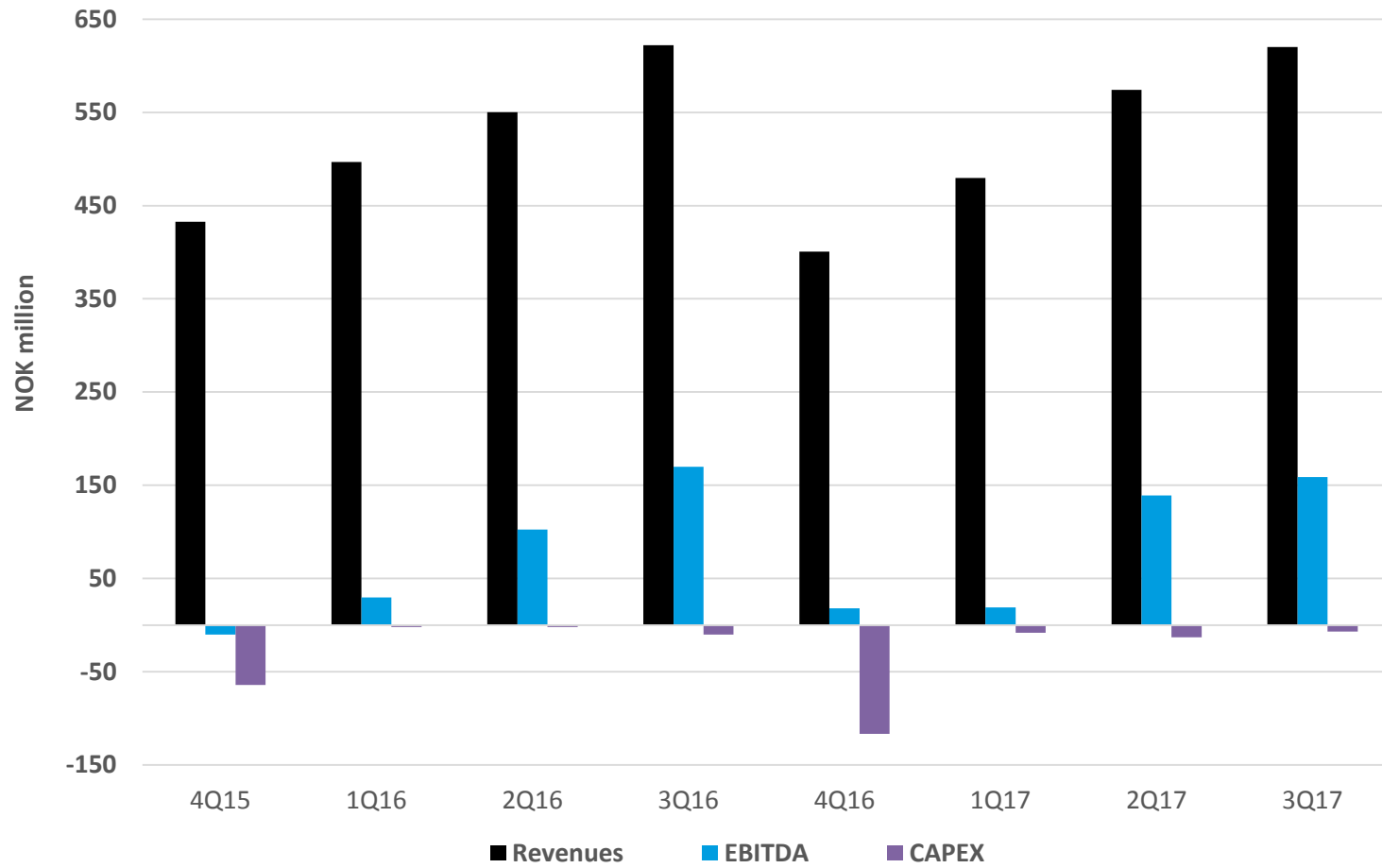
Change in Net Ticket Income



## Cruise - Key financials

(Figures in NOK million)	3Q 17	3Q 16
Operating revenues	620	622
EBITDA	159	170
EBITDA margin	26 %	27 %
EBT	95	127
Capex	7	10
Equity	1 260	1 162
Gross interest bearing debt	0	0
- Cash and cash equivalents	807	592
= Net interest bearing debt (NIBD)	-807	-592
Capital employed (Equity + NIBD)	453	570

# Cruise – Summary 3Q 17



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