Fred. Olsen Energy ASA

Condensed Financial Statements in accordance with IFRS

GROUP INCOME STATEMENT

(USD mill)	1Q 2013	2Q 2013	3Q 2013	4Q 2013	Year 2013
Operating revenues	272,8	293,7	293,8	288,3	1 148,6
Recharged income	9,8	13,0	13,3	9,7	45,8
Total revenues	**282,6**	**306,7**	**307,1**	**298,0**	**1 194,4**
Operating costs	(132,5)	(133,9)	(139,5)	(172,2)	(578,1)
Recharged expenses	(9,5)	(12,6)	(12,5)	(9,1)	(43,7)
Total operating expenses	**(142,0)**	**(146,5)**	**(152,0)**	**(181,3)**	**(621,8)**
Oper. profit before depr. (EBITDA)	**140,6**	**160,2**	**155,1**	**116,7**	**572,6**
Depreciation and amortisation	(61,2)	(60,7)	(60,3)	(60,1)	(242,3)
Operating profit (EBIT)	**79,4**	**99,5**	**94,8**	**56,6**	**330,3**
Net financial (expense)/income	4,1	(1,4)	(11,3)	(6,8)	(15,4)
Profit before income taxes	**83,5**	**98,1**	**83,5**	**49,8**	**314,9**
Income tax expense	(4,5)	(3,9)	(3,2)	(6,4)	(18,0)
Profit for the period	**79,0**	**94,2**	**80,3**	**43,4**	**296,9**
Attributable to:					
Shareholders	79,0	94,2	80,5	43,9	297,6
Non-controlling interests	-	-	(0,2)	(0,5)	(0,7)
Profit for the period	**79,0**	**94,2**	**80,3**	**43,4**	**296,9**
EPS :					
Basic earnings per share	1,2	1,4	1,2	0,7	4,5
Diluted earnings per share	1,2	1,4	1,2	0,7	4,5
Outstanding shares					
Average number of ordinary shares, basic	66,3	66,3	66,3	66,3	66,3
Average number of ordinary shares, diluted	66,3	66,3	66,3	66,3	66,3

Fred. Olsen Energy ASA

Condensed Financial Statements in accordance with IFRS

GROUP INCOME STATEMENT

(USD mill)	1Q 2012 *	2Q 2012 *	3Q 2012 *	4Q 2012 *	Year 2012 *
Operating revenues	264,3	290,0	309,7	276,2	1 140,2
Recharged income	13,1	5,5	12,0	10,5	41,1
Total revenues	**277,4**	**295,5**	**321,7**	**286,7**	**1 181,3**
Operating costs	(118,6)	(130,4)	(142,2)	(144,7)	(535,8)
Recharged expenses	(13,0)	(4,9)	(11,5)	(9,8)	(39,2)
Total operating expenses	**(131,6)**	**(135,3)**	**(153,7)**	**(154,5)**	**(575,0)**
Oper. profit before depr. (EBITDA)	**145,8**	**160,2**	**168,0**	**132,2**	**606,3**
Depreciation and amortisation	(58,5)	(55,4)	(55,9)	(62,7)	(232,5)
Operating profit (EBIT)	**87,3**	**104,8**	**112,1**	**69,5**	**373,8**
Net financial (expense)/income	(18,8)	2,3	(16,3)	(14,4)	(47,2)
Profit before income taxes	**68,5**	**107,1**	**95,8**	**55,1**	**326,6**
Income tax expense	(4,6)	(2,2)	(3,0)	(4,6)	(14,3)
Profit for the period	**64,0**	**105,0**	**92,9**	**50,6**	**312,3**
Attributable to:					
Shareholders	64,0	104,9	92,5	50,8	312,0
Non-controlling interests	-	0,1	0,4	(0,2)	0,3
Profit for the period	**64,0**	**105,0**	**92,9**	**50,6**	**312,3**
EPS :					
Basic earnings per share	1,0	1,6	1,4	0,8	4,7
Diluted earnings per share	1,0	1,6	1,4	0,8	4,7
Outstanding shares					
Average number of ordinary shares, basic	66,3	66,3	66,3	66,3	66,3
Average number of ordinary shares, diluted	66,3	66,3	66,3	66,3	66,3

* The 2012 numbers have been restated to reflect the implementation of IAS 19 Employee Benefits.

Fred. Olsen Energy ASA

Condensed Financial Statements in accordance with IFRS

STATEMENT OF FINANCIAL POSITION

(USD mill)	31 Mar 13	30 Jun 13	30 Sep 13	31 Dec 13
Intangible assets	16,9	16,4	16,4	16,2
Property, plant & equipment	2 316,4	2 338,4	2 351,0	2 476,2
Other non-current assets	27,0	26,4	27,2	27,0
Total non-current assets	**2 360,3**	**2 381,2**	**2 394,6**	**2 519,4**
Inventories	86,0	89,3	95,8	103,0
Trade and other receivables	204,0	229,4	190,1	189,6
Other current assets	35,6	31,0	37,1	31,7
Cash and cash equivalents	239,6	182,7	204,9	222,1
Total current assets	**565,2**	**532,4**	**527,9**	**546,4**
Total assets	**2 925,5**	**2 913,6**	**2 922,5**	**3 065,8**
Share capital	193,3	193,3	193,3	193,3
Other equity	1 244,9	1 116,0	1 199,6	1 243,6
Total Equity	**1 438,2**	**1 309,3**	**1 392,9**	**1 436,9**
Non-current interest-bearing loans and borrowings	695,3	783,0	714,5	662,2
Other non-current liabilities	117,4	113,3	116,0	124,6
Total non-current liabilities	**812,7**	**896,3**	**830,5**	**786,8**
Current interest-bearing loans and borrowings	131,2	131,2	131,2	131,2
Other current liabilities	543,4	576,8	567,9	710,9
Total current liabilities	**674,6**	**708,0**	**699,1**	**842,1**
Total equity and liabilities	**2 925,5**	**2 913,6**	**2 922,5**	**3 065,8**

-

(USD mill)	31 Dec 12 * restated
Intangible assets	17,7
Property, plant & equipment	2 278,8
Other non-current assets	28,4
Total non-current assets	**2 324,9**
Inventories	77,4
Trade and other receivables	173,4
Other current assets	33,9
Cash and cash equivalents	249,1
Total current assets	**533,8**
Total assets	**2 858,7**
Share capital	193,3
Other equity	1 173,0
Total Equity	**1 366,3**
Non-current interest-bearing loans and borrowings	754,0
Other non-current liabilities	124,1
Total non-current liabilities	**878,1**
Current interest-bearing loans and borrowings	131,2
Other current liabilities	483,1
Total current liabilities	**614,3**
Total equity and liabilities	**2 858,7**

* The 2012 numbers have been restated to reflect the implementation of IAS 19 Employee Benefits.

Fred. Olsen Energy ASA

Condensed Financial Statements in accordance with IFRS

CONSOLIDATED STATEMENT OF CASH FLOWS

Unaudited **(NOK mill)**	**1Q 2013**	**2Q 2013**	**3Q 2013**	**4Q 2013**	**Year 2013**
Cash flows from operating activities					
Profit before income tax	83,5	98,1	83,5	49,8	314,9
Adjustment for:					
Depreciation and amortisation	61,2	60,7	60,3	60,1	242,3
Interest expense	5,2	4,9	5,2	4,2	19,5
(Gain)/loss on sales of fixed assets	(0,1)	-	-	(0,5)	(0,6)
Changes in working capital	(46,3)	(13,4)	4,9	40,5	(14,3)
Unrealised loss/(gain) financial instruments	(2,1)	(4,1)	(4,0)	(1,0)	(11,2)
Cash generated from operations	101,4	146,2	149,9	153,1	550,6
Interest paid	(9,9)	(9,4)	(9,7)	(9,1)	(38,1)
Taxes paid	(1,7)	(5,5)	(1,2)	(6,8)	(15,2)
Net cash from operating activities	89,8	131,3	139,0	137,2	497,3
Cash flows from investing activities					
Net investment in fixed assets	(44,1)	(60,7)	(44,6)	(63,0)	(212,4)
Proceeds from sale of equipment	0,2	0,1	0,2	0,7	1,2
Net cash used to investing activities	**(43,9)**	**(60,6)**	**(44,4)**	**(62,3)**	**(211,2)**
Cash flows from financing activites					
Borrowing of interest bearing debt	-	115,0	-	-	115,0
Repayments of interest bearing debt	(50,3)	(20,3)	(70,3)	(50,3)	(191,2)
Dividend paid	-	(225,5)	-	-	(225,5)
Net cash from financing activites	**(50,3)**	**(130,8)**	**(70,3)**	**(50,3)**	**(301,7)**
Foreign currency	(5,1)	3,2	(2,1)	(7,4)	(11,4)
Net change in cash and cash equivalents	(4,4)	(60,1)	24,3	24,6	(15,6)
Cash and cash equivalents at the beg. of period	249,1	239,6	182,7	204,9	249,1
Cash and cash equiv. at the end of period	**239,6**	**182,7**	**204,9**	**222,1**	**222,1**

Fred. Olsen Energy ASA

Condensed Financial Statements in accordance with IFRS

Segment Results

Offshore Drilling *

(USD mill)	1Q 2013	2Q 2013	3Q 2013	4Q 2013	Year 2013
Revenues from external customer	274,7	297,8	298,7	281,3	1 152,5
Total revenues	**274,7**	**297,8**	**298,7**	**281,3**	**1 152,5**
Operating costs	(134,6)	(138,4)	(141,5)	(158,3)	(572,8)
Total operating expenses	**(134,6)**	**(138,4)**	**(141,5)**	**(158,3)**	**(572,8)**
Oper. profit before depr. (EBITDA)	**140,1**	**159,4**	**157,2**	**123,0**	**579,7**
Depreciation and amortisation	(60,8)	(60,3)	(59,9)	(59,7)	(240,7)
Operating profit (EBIT)	**79,3**	**99,1**	**97,3**	**63,3**	**339,0**

* Includes Fred. Olsen Energy ASA

Engineering & Fabrication

(USD mill)	1Q 2013	2Q 2013	3Q 2013	4Q 2013	Year 2013
Revenues from external customers	7,9	8,9	8,4	16,7	41,9
Inter-segment revenues	-	-	0,4	8,4	8,8
Total revenues	**7,9**	**8,9**	**8,8**	**25,1**	**50,7**
Operating costs	(7,4)	(8,1)	(10,9)	(31,4)	(57,8)
Total operating expenses	**(7,4)**	**(8,1)**	**(10,9)**	**(31,4)**	**(57,8)**
Oper. profit before depr. (EBITDA)	**0,5**	**0,8**	**(2,1)**	**(6,3)**	**(7,1)**
Depreciation and amortisation	(0,4)	(0,4)	(0,4)	(0,4)	(1,6)
Operating profit (EBIT)	**0,1**	**0,4**	**(2,5)**	**(6,7)**	**(8,7)**

Elimination

(USD mill)	1Q 2013	2Q 2013	3Q 2013	4Q 2013	Year 2013
Revenues from external customers	-	-	-	-	-
Inter-segment revenues	-	-	(0,4)	(8,4)	(8,8)
Total revenues	**-**	**-**	**(0,4)**	**(8,4)**	**(8,8)**
Operating costs	-	-	0,4	8,4	8,8
Total operating expenses	**-**	**-**	**0,4**	**8,4**	**8,8**

Fred. Olsen Energy ASA

Condensed Financial Statements in accordance with IFRS

Offshore Drilling **

(USD mill)	1Q 2012 *	2Q 2012 *	3Q 2012 *	4Q 2012 *	Year 2012 *
Revenues from external customer	265,9	278,5	290,1	280,2	1 114,7
Total revenues	**265,9**	**278,5**	**290,1**	**280,2**	**1 114,7**
Operating costs	(120,3)	(119,1)	(126,8)	(147,3)	(513,6)
Total operating expenses	**(120,3)**	**(119,1)**	**(126,8)**	**(147,3)**	**(513,6)**
Oper. profit before depr. (EBITDA)	**145,6**	**159,4**	**163,3**	**132,9**	**601,1**
Depreciation and amortisation	(58,2)	(55,1)	(55,6)	(62,4)	(231,3)
Operating profit (EBIT)	**87,4**	**104,3**	**107,7**	**70,5**	**369,8**

Engineering & Fabrication

(USD mill)	1Q 2012 *	2Q 2012 *	3Q 2012 *	4Q 2012 *	Year 2012 *
Revenues from external customers	11,5	17,0	31,6	6,5	66,6
Inter-segment revenues	-	-	-	-	-
Total revenues	**11,5**	**17,0**	**31,6**	**6,5**	**66,6**
Operating costs	(11,2)	(16,1)	(26,8)	(7,2)	(61,4)
Total operating expenses	**(11,2)**	**(16,1)**	**(26,8)**	**(7,2)**	**(61,4)**
Oper. profit before depr. (EBITDA)	**0,3**	**0,9**	**4,8**	**(0,7)**	**5,2**
Depreciation and amortisation	(0,3)	(0,3)	(0,3)	(0,3)	(1,2)
Operating profit (EBIT)	**(0,0)**	**0,6**	**4,5**	**(1,0)**	**4,0**

* The 2012 numbers have been restated to reflect the implementation of IAS 19 Employee Benefits.

**Segment Offshore Drilling includes Fred. Olsen Energy ASA