



GANGER ROLF ASA

REPORT FOR SECOND QUARTER 2014 AND FIRST HALF YEAR 2014

Comments to the accounts for Ganger Rolf ASA

The unaudited Group accounts for 2 quarter 2014 comprise Ganger Rolf ASA and its subsidiaries ("The Group of companies") and the Group of companies' ownership of associates.

Comparable figures for the same period in 2013 in brackets.

Highlights 2Q 2014:

- Net result was NOK 6 million (NOK 166 million)
- Earnings per share were NOK 0.2 (NOK 4.9)

Post quarter:

- Bonheur ASA completed two unsecured senior bond issues of NOK 900 million and NOK 600 million, with maturities in 2019 and 2021 respectively. Ganger Rolf ASA is guarantor for both loans.



GANGER ROLF ASA

Financial information

<i>Financial key figures (figures in million NOK except for earnings per share)</i>	2Q 14	2Q 13	Per 2Q 14	Per 2Q 13	2013
Operating revenue	0	0	0	0	1
EBITDA	-17	-9	-33	-19	-46
EBIT	-17	-9	-34	-20	-48
Share of results from associates	29	278	101	375	502
Net result after tax from continuing operations	6	289	44	343	350
Net result from discontinued operations	0	-122	0	-112	-103
Net result	6	166	44	231	248
Average number of shares outstanding	33 673 935	33 853 935	33 673 935	33 853 935	33 853 935
Basic/diluted earnings per share NOK	0,2	4,9	1,3	6,8	7,3
Interest bearing liabilities			1 478	1 687	1 504

Operating result (EBIT), which mainly reflects the holding company costs, was NOK - 17 million (NOK - 9 million) in the quarter. All significant share holdings have been consolidated as associates. Consequently, the parent company is a pure holding company.

Following the acquisition of Fred. Olsen Production ASA on 20 December 2013 by Yinson Production Ltd., the business segment Floating Production is presented as discontinued operations in the comparable 2013 figures in the income statement.

Net result from associates accounted for using the equity method, was NOK 29 million (NOK 278 million) in the quarter. Net result comprises share of net result from Fred. Olsen Energy ASA with subsidiaries (FOE) of NOK 11 million (NOK 144 million), from Fred. Olsen Renewables AS with subsidiaries (FOR) of NOK -19 million (NOK 26 million), from Fred. Olsen Ocean Ltd. (FOO) of NOK 51 million (NOK 86 million), from the cruise segment NOK - 28 million (NOK - 21 million) and the cross ownership effect from Bonheur ASA of NOK 4 million (NOK 33 million).

NHST Media Group has from May 2014 been consolidated as an associate, following the increase in ownership from 17.6% to 27%. A net result of NOK 5 million is included in the segment Other investments. For further information see note 6.

Net financial items in the quarter were NOK - 4 million (NOK 19 million). The deviation compared to the corresponding quarter last year is mainly due to lower interest expenses, a revaluation gain of NOK 14 million on financial instruments (shares in NHTS Media Group), lower exchange gain and no dividend received during the quarter. A dividend of NOK 35 million from Koksa Eiendom AS (previously IT Fornebu Properties AS) was received in second quarter last year.

Net result from continuing operations in the quarter was NOK 6 million (NOK 289 million). Net result including discontinued operations was NOK 6 million (NOK 166 million).

EBITDA year to date were NOK -33 million (NOK -19 million). Operating result (EBIT) year to date was NOK -34 million (NOK -20 million). Share of result from associates were NOK 101 million (NOK 375 million), net financial items were NOK - 22 million (NOK - 12 million) and net result after estimated tax from continuing operations was NOK 44 million (NOK 343 million). Net result including discontinued operations was NOK 44 million (NOK 231 million).



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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 stated.

Offshore Drilling

The segment consists of 26.0% ownership of Fred. Olsen Energy ASA with subsidiaries (FOE). Figures below are presented in NOK as consolidated into Bonheur ASA and Ganger Rolf ASA.

(Figures in NOK million)	2Q 14	2Q 13	Per 2Q 14	Per 2Q 13
Operating revenues	1 638	1 788	3 331	3 379
EBITDA	639	935	1 261	1 726
EBIT	111	581	352	1 027
Net result	41	550	185	995

Below is an extract from FOE's report for 2 quarter 2014 (figures in USD unless otherwise stated).

Note that FOE from 1 quarter 2014 has changed the Groups reporting currency to USD. In addition FOE shows 1 quarter 2014 in brackets when comparing the quarterly results, while Bonheur ASA and Ganger Rolf ASA compares the quarterly results with the corresponding quarter last year.

For full report please refer to www.fredolsen-energy.no

(Figures in USD million)	2Q 14	1Q 14	2Q 13	Per 2Q 14	Per 2Q 13
Operating revenues	273	278	307	551	589
EBITDA	107	102	160	209	301
EBIT	19	39	100	58	179
Net result	7	24	96	31	170

“FINANCIAL INFORMATION (1st quarter 2014 and first half year 2013 in brackets)

Operating revenues in the quarter were 273 million (278 million), a decrease of 5 million compared with the previous quarter. The revenues for offshore drilling division were 265 million, compared to 267 million previous quarter. The decrease in revenues within the offshore drilling division is mainly due to Bideford Dolphin being at yard for most of the quarter partly offset by start-up for Bolette Dolphin in the quarter. Revenues within the engineering and fabrication division were 24 million (48 million), of which 16 million (38 million) were related to intra-group activities.

Operating costs were 167 million (176 million), a decrease of 9 million compared with previous quarter. Operating costs within the offshore drilling division decreased by 6 million. Operating costs within the engineering and fabrication division were 19 million (44 million), of which 9 million (32 million) were related to intra-group activities.

Operating profit before depreciation (EBITDA) was 107 million (102 million). EBITDA for the half year was 209 million (301 million).



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Depreciation amounted to 88 million (63 million). The increase is due to full depreciation of Bolette Dolphin and extraordinary depreciation for Blackford Dolphin and Borgholm Dolphin in connection with replacement of equipment at the yard stays. For the half year it amounted to 150 million (122 million).

Operating profit after depreciation (EBIT) was 19 million (39 million). EBIT for the half year was 58 million (179 million).

Net financial expenses were 2 million (15 million). Capitalized interest expenses related to the newbuild in the quarter amounted to 2 million (3 million). Net financial expenses for the half year were 17 million (1 million).

Profit before tax was 16 million (25 million). Profit before tax for the half year was 41 million (178 million).

Net profit, including an estimated tax charge of 9 million (1 million), was 7 million (24 million). Net profit for the half year, including an estimated tax charge of 10 million (8 million), was 31 million (170 million).

Basic earnings per share were 0.10 (0.35).

Basic earnings per share for the half year were 0.45 (2.56).”

Renewable Energy

Renewable Energy consists of 50% ownership of Fred. Olsen Renewables AS with subsidiaries (FOR).

(Figures in NOK million)	2Q 14	2Q 13	Per 2Q 14	Per 2Q 13
Operating revenues	116	138	396	297
EBITDA	68	94	288	206
EBIT	-7	39	144	97
Net result	-37	52	43	73

FOR owns and operates seven wind farms, of which six wind farms in Scotland (Crystal Rig, Crystal Rig II, Rothes, Rothes II, Paul's Hill and Mid Hill) and one in Norway (Lista). As of 30 June 2014 FOR had an installed capacity of 486 MW in production. In addition FOR has a portfolio of development projects onshore in the UK, Norway and Sweden as well as offshore Ireland.

Operating revenues in the quarter were NOK 116 million (NOK 138 million). The decrease from the corresponding quarter last year is mainly caused by lower wind speed and also lower electricity prices. This is partly offset by higher installed capacity (Mid Hill) and 12.5% higher GBP/NOK exchange rate. Despite higher capacity, the generation decreased from 224 GWh in 2 quarter last year to 185 GWh in 2 quarter 2014. EBITDA were NOK 68 million (NOK 94 million).

For the first half year, FOR had operating revenues of NOK 396 million (NOK 297 million). The generation increased from 480 GWh to 610 GWh, mainly due to higher installed capacity and high wind speeds in 1 quarter 2014. EBITDA were NOK 288 million (NOK 206 million).

Shipping / Offshore wind

As per end of the quarter the segment consists of Fred. Olsen Windcarrier AS, a company providing transport and installation services for the offshore wind industry and Universal Foundation Norway AS, a company offering innovative offshore wind turbine foundations. Both companies are indirectly owned 100% through Fred. Olsen Ocean Limited (formerly named First Olsen Limited). Fred. Olsen Windcarrier



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AS owns 51% of Global Wind Service A/S, an international supplier of qualified and skilled personnel to the global wind turbine industry. Fred. Olsen Windcarrier AS and Global Wind Service A/S each own 50% of Fred. Olsen Windcarrier Denmark A/S.

(Figures in NOK million)	2Q 14	2Q 13	Per 2Q 14	Per 2Q 13
Operating revenues	405	330	705	452
EBITDA	158	127	215	94
EBIT	123	94	147	42
Net result	102	184	108	123

Operating revenues in the quarter were NOK 405 million against NOK 330 million for the same period in 2013. The strengthening of the Euro against Norwegian Kroner (from 7.62 to 8.21) contributes to NOK 30 million of the total increase of NOK 75 million.

Operating result before depreciation (EBITDA) for the quarter was NOK 158 million, an increase of NOK 31 million compared to 2 quarter 2013, which also includes a gain of NOK 15 million on the sale of the suezmax tanker "Knock Clune".

Revenues for the first half year were NOK 705 million compared to NOK 452 million for the first half year in 2013. The increased revenues are related to the operations of the two offshore jack-up installation vessels "Brave Tern" and "Bold Tern" in 2014. EBITDA year to date were NOK 215 million, compared to NOK 94 million per 2 quarter 2013.

The installation vessels have in the quarter been engaged on projects in German waters for transportation and installation of wind turbines. Both vessels will complete their current projects during 3 quarter and will commence new projects in UK and German waters, respectively.

Global Wind Service A/S, a Danish limited company owned 51% by Fred. Olsen Windcarrier AS, is an international supplier of qualified and skilled personnel to the global wind turbine industry. The company provides a wide range of installation and maintenance services.

Fred. Olsen Windcarrier Denmark A/S, a Danish subsidiary of Fred. Olsen Windcarrier AS, operates a fleet of 8 high-speed vessels built for safe and efficient transport of goods and personnel to and from offshore wind farms. All vessels are at the end of the quarter engaged on projects with durations varying from 2 months to 3 years.

Universal Foundation Norway AS, a Fred. Olsen Ocean Ltd subsidiary, delivers integrated projects to the offshore wind industry based on the innovative Universal Foundation 'suction bucket' foundation for wind turbines and meteorological masts. In May 2014 Universal Foundation A/S, a Danish subsidiary of Universal Foundation Norway AS, in close co-operation with Aalborg University, entered into a contract with Statoil as lead partner in the Carbon Trust's Offshore Wind Accelerator program, for multiple installation trials of the Universal Foundation 'suction bucket' offshore wind foundation on future development sites in UK waters.



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Cruise

Cruise consists of 50% indirect ownership of Fred. Olsen Cruise Lines Ltd, with subsidiaries (FOCL), located in the UK.

(Figures in NOK million)	2Q 14	2Q 13	Per 2Q 14	Per 2Q 13
Operating revenues	377	340	795	726
EBITDA	- 8	9	7	10
EBIT	- 52	- 42	- 82	- 91
Net result	-56	- 42	- 102	- 88

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

Operating revenues in the quarter were NOK 377 million (NOK 340 million). Operating result before depreciation (EBITDA) was NOK - 8 million (NOK 9 million).

The UK cruise market's weak economic conditions continued to result in lower sales. The number of passenger days totaled 274 605 (316 468) for the quarter. Net ticket income per diem was 3% lower compared to the corresponding quarter last year. The average spot price of fuel oil in the quarter was 6% higher than in 2 quarter 2013.

For the first half year, FOCL had operating revenues of NOK 795 million (NOK 726 million). EBITDA were NOK 7 million (NOK 10 million).

Other investments

Other Investments mainly consist of an ownership of 27% of NHST Media Group AS, 16.3% of Koksa Eiendom AS (previously IT Fornebu Properties AS) as well as 50% of the service companies, Fred. Olsen Insurance Services AS, Fred. Olsen Travel AS, AS Fred. Olsen Fly- og Luftmateriell and FO Capital Ltd.

NHST Media Group AS

Up until 9 May 2014, Bonheur ASA and Ganger Rolf ASA owned in total 35.6% of NHST Media Group AS. An additional 236 988 shares were purchased by the two companies on 9 May 2014, such that the combined ownership increased to 54.0%.

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

NHST Media Group AS achieved a turnover of NOK 324 million in the quarter (NOK 329 million). This corresponds to a decrease of 2% mainly due to an 8% decline in revenues from advertisements compared to last year. The market share and number of copies sold for most of the publications has in total been quite stable. The growth in demand for the digital products continues with an increased turnover of 8% compared to 2 quarter 2013.

The result before depreciation (EBITDA) for the quarter was NOK 34 million (NOK 39).



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Koksa Eiendom AS (previously IT Fornebu Properties AS)

Bonheur ASA and Ganger Rolf ASA each holds 6.3% of the shares in Koksa Eiendom AS (KE).

KE holds 30% of the shares of Martin Linges vei 33 AS which consists of the building built for Statoil's regional office in Oslo and the connected underground parking facility.

The Nordic hotel group Scandic rents and operates the hotel (owned by Fornebu Hotel AS) which was finished in September 2012 and is situated next to the new office building of Statoil. KE holds 50% of the shares in the company owning the hotel and related parking facilities.

Other information

Subsequent events

Bonheur ASA has successfully completed a NOK 900 million senior unsecured bond issue with maturity in 2019 and a NOK 600 million senior unsecured bond issue with maturity in 2021. Ganger Rolf ASA is guarantor for both issues. Settlement date was 9 July 2014. Applications will be made for listing of the bonds on Oslo Stock Exchange. Net proceeds from the bond issues will be used for refinancing of existing debt, including the NOK 1 000 million outstanding under the BON01 bond issue with ISIN NO 0010560683 and maturity on 15 December 2014, and for general corporate purposes. Ganger Rolf ASA has borrowed 50% of the proceeds from the bond issues from Bonheur ASA at identical terms.

Dividend / Annual General Meeting in Ganger Rolf ASA

At the Annual General Meeting in Ganger Rolf ASA on 28 May 2014, the proposed dividend payment of NOK 8.40 per share was approved. The dividend was paid on 25 June, amounting to NOK 284.4 million in total.



GANGER ROLF ASA

Statement by the Board of Directors and the Managing Director

The Board of Directors and the Managing Director have today considered and approved the condensed consolidated interim report of Ganger Rolf ASA as at 30 June 2014 and for the first half year 2014 including condensed consolidated comparative figures as at 30 June and for the first half-year 2013.

The interim report has been prepared in reference to IAS 34 "Interim Financial Reporting" as adopted by the EU and additional Norwegian disclosure requirements for interim financial reports of listed public limited companies.

To the best of our knowledge we consider the implemented accounting policies to be appropriate and in accordance with applicable accounting standards. Accordingly, it is our view that the interim report gives a true and fair view of the Group of companies' assets, liabilities and financial position as at 30 June 2014 and as at 30 June 2013 and of the results of the Group's operations and cash flows for the first half-year 2014 and the first half-year 2013.

Oslo, 16 July 2014
Ganger Rolf ASA – the Board of Directors

Fred. Olsen
Chairman
(sign)

Anna-Synnøve Bye
Director
(sign)

Helen Mahy
Director
(sign)

Andreas Mellbye
Director
(sign)

Anette S. Olsen
Managing Director
(sign)



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Condensed financial statements in accordance with IFRS

Income statement Group of Companies

(NOK million) - unaudited

	Note	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013
Revenues	2	0,1	0,1	0,2	0,2	0,5
Operating costs		-17,0	-8,6	-33,4	-19,1	-46,5
Operating result before depreciation (EBITDA)	2	-16,9	-8,5	-33,2	-18,9	-46,0
Depreciation		-0,4	-0,5	-0,9	-0,9	-1,8
Operating result (EBIT)	2	-17,4	-9,0	-34,1	-19,8	-47,8
Share of result from associates	2,6	28,5	278,1	101,3	375,2	501,8
Result before finance		11,1	269,1	67,2	355,4	454,0
Financial revenues		19,6	42,2	24,8	45,9	81,6
Financial costs		-23,9	-22,8	-46,9	-58,3	-177,5
Net financial items		-4,3	19,4	-22,1	-12,4	-95,8
Result before tax (EBT)		6,9	288,5	45,1	343,0	358,2
Estimated tax cost	4	-1,0	0,1	-0,7	0,1	-8,2
Net result after estimated tax from continuing operations		5,9	288,6	44,4	343,1	350,0
Net result from discontinued operations	5	-	-122,4	-	-112,2	-102,5
Net result		5,9	166,2	44,4	230,9	247,5
Hereof non-controlling interests		0,0	0,0	0,0	0,0	0,0
Hereof majority interests		5,9	166,2	44,4	230,9	247,5
Basic earnings / Diluted earnings per share (NOK)		0,2	4,9	1,3	6,8	7,3
Basic earnings /Diluted earnings per share from continued operations (NOK)		0,2	8,5	1,3	10,1	10,3
Basic earnings /Diluted earnings per share from discontinued operations (NOK)		0,0	-3,6	0,0	-3,3	-3,0



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Statement of comprehensive income

(NOK million) - unaudited

	Apr-Jun 2014	Apr-Jun 2013	Jan-Jun 2014	Jan-Jun 2013
Profit for the period	5,9	166,2	44,4	230,9
Other comprehensive income:				
Items that will not be reclassified to profit or loss				
Actuarial gains/(losses) on pension plans	0,0	0,0	0,0	0,0
Other comprehensive income for the period	-9,4	-8,7	-9,5	0,0
Total items that will not be reclassified to profit or loss	-9,4	-8,7	-9,5	0,0
Items that may be reclassified subsequently to profit or loss				
Hedging effects:				
- Effective portion of changes in fair value of interest hedges	-0,1	0,3	0,2	0,2
Fair value effects related to financial instruments:				
- Net change in fair value of available-for-sale financial assets	14,9	16,7	18,3	-5,4
- Net change in fair value of available-for-sale financial assets transferred to profit or loss	-13,7	0,0	-13,7	0,0
Other comprehensive income from associates	90,7	155,8	51,3	253,6
Other comprehensive income due to cross ownership	29,5	37,9	22,6	55,1
Income tax on other comprehensive income	0,0	0,0	0,0	0,0
Total items that may be reclassified subsequently to profit or loss	121,4	210,7	78,7	303,5
Other comprehensive income for the period, net of income tax	111,9	202,0	69,2	303,5
Total comprehensive income for the period	117,8	368,2	113,6	534,4
Attributable to:				
Equity holders of the parent	117,8	368,2	113,6	534,4
Total comprehensive income for the period	117,8	368,2	113,6	534,4



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Statement of financial position

(NOK million) - unaudited

	Note	30.06.2014	30.06.2013	31.12.2013
Deferred tax asset		0,0	40,2	0,8
Property, plant and equipment		34,5	36,1	35,3
Investments in associates	6	5 909,3	5 602,0	6 097,7
Other financial fixed assets		269,8	444,0	347,0
Non-current assets		6 213,6	6 122,2	6 480,8
Trade and other receivables		56,9	5,3	115,7
Cash and cash equivalents		181,0	367,8	171,4
Current assets		237,9	373,1	287,1
Assets held for sale		-	960,8	-
Total assets		6 451,5	7 456,1	6 767,9
Share capital		42,3	42,3	42,3
Treasury shares		-0,2	-	-
Share premium		25,9	25,9	25,9
Retained earnings		4 630,6	5 009,1	4 922,7
Equity		4 698,6	5 077,3	4 990,9
Non-current interest bearing liabilities		887,7	1 386,7	703,8
Other non-current liabilities		193,1	138,3	189,4
Non-current liabilities	3	1 080,8	1 525,0	893,2
Current interest bearing liabilities		590,4	299,8	800,1
Other current liabilities		81,7	85,6	83,7
Current liabilities	3	672,1	385,3	883,8
Liabilities held for sale		-	468,5	-
Total equity and liabilities		6 451,5	7 456,1	6 767,9

Oslo, 16 July 2014

Ganger Rolf ASA - the Board of Directors

Fred. Olsen
Chairman

Anna-Synnøve Bye
Director

Helen Mahy
Director

Andreas Mellbye
Director

Anette S. Olsen
Managing Director



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Statement of changes in equity

(NOK million) - unaudited

	Share Capital	Own shares	Share premium	Translation reserve	Hedging reserve	Fair value reserve	Retained earnings	Total equity
Balance at 1 January 2013	42,3	0,0	25,9	-693,6	-0,8	64,9	5 388,4	4 827,2
Total comprehensive income for the period	0,0	0,0	0,0	297,7	0,2	-5,4	241,9	534,4
Dividends to shareholders	0,0	0,0	0,0	0,0	0,0	0,0	-284,4	-284,4
Balance at 30 June 2013	42,3	0,0	25,9	-395,9	-0,5	59,5	5 345,9	5 077,3
Balance at 1 January 2014	42,3	0,0	25,9	-305,9	-0,6	81,6	5 147,6	4 990,9
Total comprehensive income for the period	0,0	0,0	0,0	43,8	0,2	4,6	64,9	113,6
Changes in treasury shares	0,0	-0,2	0,0	0,0	0,0	0,0	-19,8	-20,0
Acquisition of associate	0,0	0,0	0,0	0,0	0,0	0,0	-101,6	-101,6
Dividends to shareholders	0,0	0,0	0,0	0,0	0,0	0,0	-284,4	-284,4
Balance at 30 June 2014	42,3	-0,2	25,9	-262,0	-0,4	86,3	4 806,8	4 698,6

Share capital and share premium

Par value per share	NOK 1.25
Number of shares issued	33 853 935
Number of own shares	0

Translation reserve

The reserve represents exchange differences resulting from the consolidation of 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.



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Consolidated statement of cash flow

<i>(NOK million) - unaudited</i>	Jan-June 2014	Jan-June 2013
Cash flow from operating activities		
Net result	44,4	230,9
<i>Adjustments for:</i>		
Depreciation	0,9	0,9
Net of investment income, interest expenses and net unrealized foreign exchange gains	36,6	17,4
Share of result from associates	-101,3	-375,2
Net gain (-) / loss on sale of property, plant and equipment and other investments	-0,3	-0,2
Tax income	0,7	-0,1
Cash generated before changes in working capital and provisions	-19,0	-126,3
Increase (-) / decrease in trade and other receivables	-0,8	1,4
Increase / decrease (-) in current liabilities	-3,4	-0,1
Cash generated from operations	-23,2	-125,0
Interest paid	-36,2	-43,4
Net result from discontinued operations	-	112,2
Net cash from operating activities	-59,4	-56,1
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment and other investments	1,2	3,1
Interest and dividends received	623,3	453,3
Acquisitions of property, plant and equipment and changes in other investments	-215,8	-26,5
Net cash from investing activities	408,7	429,9
Cash flow from financing activities		
Increase in borrowings	175,8	1,4
Repayment of borrowings	-211,2	-1,6
Purchase of treasury shares	-20,0	-
Dividends paid	-284,4	-284,4
Net cash from financing activities	-339,8	-284,6
Net increase in cash and cash equivalents	9,5	89,2
Cash and cash equivalents at 1 January	171,4	278,7
Cash and cash equivalents at 30 June	181,0	367,8



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Notes

Note 1 – Basis of presentation

Introduction

The Group accounts for the second quarter 2014 comprise Ganger Rolf ASA and its subsidiaries (“The Group of companies”) and the Group of companies’ ownership of associates. The quarterly accounts of 2014 and the Group of companies’ accounts for 2013 may be obtained by contacting Fred. Olsen & Co., Oslo, or at www.ganger-rolf.com.

Financial framework and accounting principles

The interim accounts have been prepared in accordance with IAS 34 as adopted by EU and the Securities and Trading Act. The accounts do not include all information required for annual accounts and should be read in conjunction with the Group of companies’ annual accounts for 2013 and the previous interim reports issued in 2014. The interim financial report for the second quarter 2014 was approved by the company’s Board on 16 July 2014.

The accounting principles applied by the Group of companies in these condensed interim financial statements are the same as those applied by the Group of companies in its consolidated financial statements as at and for the year ended 31 December 2013 with the exception of adoption of IFRS10, IFRS 11, IFRS 12, IAS 27 (amended) and IAS 28 (amended). The adopted standards do not have a significant impact on the condensed interim consolidated financial statements of the Company.

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 2013 Group accounts.

Note 2 – Segment information

Companies fully consolidated in the accounts

Other investments

Ganger Rolf ASA, Laksa AS, Knock Holding Group (merged with Bonheur ASA/Ganger Rolf ASA effective from 1 July 2013) and Borgå Group (merged with Bonheur ASA/Ganger Rolf ASA effective from 1 April 2014).

Associates

Offshore drilling

Fred Olsen Energy ASA.

Floating production

Fred. Olsen Production ASA (Discontinued operation in 2013).

Renewable energy

Fred. Olsen Renewables AS

Cruise

Fred. Olsen Cruise Lines Ltd and First Olsen Holding AS

Shipping / Offshore wind

Tankers: Fred. Olsen Ocean Ltd. (Formerly named First Olsen Ltd.) – Tankers.

Shipping activities: Fred. Olsen Ocean Ltd. (Formerly named First Olsen Ltd.) – Shipping activities, Oceanlink Ltd (2013).

Offshore wind: Fred. Olsen Windcarrier AS, Universal Foundation Norway AS and Fred. Olsen Ocean Ltd. (Formerly named First Olsen Ltd.) – Other investments (from 3rd quarter 2013, previously reported under the segment “Other investments”).



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Other investments

Fred. Olsen Travel AS, Fred. Olsen Insurance Services AS (merged with Fred. Olsen Brokers AS effective from 1 October 2013), Fred. Olsen Fly- og Luftmateriell AS, Stavnes Byggeselskap AS, Oslo Shipholding AS, GenoMar AS (01.01.-31.10. - 2013), Fred. Olsen Cruise Lines Pte. Ltd, FO Capital Ltd, Bonheur og Ganger Rolf ANS, Bonheur ASA, Fred. Olsen Ocean Ltd (Formerly named First Olsen Ltd.) – Other investments (Up to and including 2nd quarter 2013, thereafter included under the segment “Shipping/Offshore Wind”) and NHST Media Group AS (From 1 May 2014).

2.quarter	Offshore drilling		Renewable energy		Shipping/Offsh. Wind		Cruise		Other investments		Total fully consolidated companies	
	2Q.14	2Q.13	2Q.14	2Q.13	2Q.14	2Q.13	2Q.14	2Q.13	2Q.14	2Q.13	2Q.14	2Q.13
Fully consolidated companies												
Revenues	0	0	0	0	0	0	0	0	0	0	0	0
Operating costs	0	0	0	0	0	0	0	0	-17	-9	-17	-9
Oper. result before depr. (EBITDA)	0	0	0	0	0	0	0	0	-17	-9	-17	-9
Depreciation / Impairment	0	0	0	0	0	0	0	0	0	0	0	0
Operating result (EBIT)	0	0	0	0	0	0	0	0	-17	-9	-17	-9

2.quarter	Offshore drilling		Renewable energy		Shipping/Offsh. Wind		Cruise		Other investments		Total associates	
	2Q.14	2Q.13	2Q.14	2Q.13	2Q.14	2Q.13	2Q.14	2Q.13	2Q.14	2Q.13	2Q.14	2Q.13
Associates												
Revenues	428	467	58	69	203	165	188	170	75	15	952	887
Operating costs	-261	-223	-24	-22	-124	-102	-192	-165	-75	-20	-676	-532
Oper. result before depr. (EBITDA)	167	244	34	47	79	64	-4	5	0	-4	276	355
Depreciation / Impairment	-138	-93	-37	-28	-17	-16	-22	-26	-2	-1	-216	-163
Operating result (EBIT)	29	152	-3	19	62	47	-26	-21	-2	-6	60	191

1 half year	Offshore drilling		Renewable energy		Shipping/Offsh. Wind		Cruise		Other investments		Total fully consolidated companies	
	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13
Fully consolidated companies												
Revenues	0	0	0	0	0	0	0	0	0	0	0	0
Operating costs	0	0	0	0	0	0	0	0	-33	-19	-33	-19
Oper. result before depr. (EBITDA)	0	0	0	0	0	0	0	0	-33	-19	-33	-19
Depreciation / Impairment	0	0	0	0	0	0	0	0	-1	-1	-1	-1
Operating result (EBIT)	0	0	0	0	0	0	0	0	-34	-20	-34	-20

Per 2.quarter	Offshore drilling		Renewable energy		Shipping/Offsh. Wind		Cruise		Other investments		Total associates	
	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13	Jan-Jun14	Jan-Jun13
Associates												
Revenues	870	883	198	149	353	226	398	363	84	28	1 903	1 648
Operating costs	-541	-432	-54	-45	-245	-179	-394	-358	-91	-41	-1 326	-1 055
Oper. result before depr. (EBITDA)	329	451	144	103	107	47	3	5	-6	-13	578	593
Depreciation / Impairment	-237	-183	-72	-54	-34	-26	-44	-50	-2	-3	-390	-316
Operating result (EBIT)	92	268	72	49	74	21	-41	-45	-9	-16	188	277



GANGER ROLF ASA

Note 3 – Interest bearing loans

The parent company, Ganger Rolf ASA, has interest bearing loans to associates of NOK 482 million as per 30th June 2014.

On 11th December 2009 Bonheur ASA completed a NOK 1,000 million 5 years unsecured bond issue with Ganger Rolf ASA as guarantor. Settlement date was 15th December 2009 and maturity date is 15th December 2014. Ganger Rolf ASA has borrowed NOK 500 million of the proceeds from the bond issue from Bonheur ASA at identical terms.

On 25th 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.

On 26 June 2014 Bonheur ASA successfully completed a NOK 900 million senior unsecured bond issue with maturity in 2019 and a NOK 600 million senior unsecured bond issue with maturity in 2021. Ganger Rolf ASA is guarantor for both issues. Settlement date is 9 July 2014. Net proceeds from the bond issues will be used for refinancing of existing debt, including the NOK 1,000 million outstanding bond issue with maturity on 15 December 2014, and for general corporate purposes. Ganger Rolf ASA has borrowed 50% of the proceeds from both bond issues from Bonheur ASA at identical terms.

Note 4 – Taxes

There are several ongoing tax disputes between subsidiaries/associates within the Group of companies and the Norwegian tax authorities. For further information please refer to Note 23 in the Annual Report for 2013 and Note 4 in the 1st quarter report for 2014. No additional issues have occurred.

Note 5 – Discontinued operations

In June 2013, Yinson Holdings Berhad, announced a cash offer to acquire 100% of the shares in Fred. Olsen Production ASA (FOP). Fred. Olsen Ocean Ltd. (Formerly named First Olsen Ltd), owned 50/50 by Bonheur ASA and Ganger Rolf ASA, and the majority shareholder of FOP, granted the Offeror an irrevocable pre-acceptance for its 65 191 200 shares, representing 61.54% of the total issued shares and votes of FOP.

As a consequence of the above mentioned cash offer, the business segment Floating Production were classified as held for sale in the consolidated financial position with effect from 30. June 2013, and accordingly presented as discontinued operations in the consolidated income statement. On 20th December 2013 FOP announced that settlement of the voluntary offer by Yinson to acquire all outstanding shares in FOP had been completed.

Figures below as presented in the 2q 2013 report



GANGER ROLF ASA

(NOK 1000)	Jan-Jun 2013
Result of discontinued operation	
Revenue	331 448
Operating costs	-183 626
Operating result before depreciation / impairment losses (EBITDA)	147 822
Depreciation	-72 655
Impairment losses 1)	-260 355
Operating result (EBIT)	-185 188
Financial revenues	9 570
Financial costs	-24 841
Net financial items	-15 270
Result before tax (EBT)	-200 459
Estimated tax cost	-23 915
Net result after estimated tax	-224 374
Hereof minority interests	-85 491
Hereof majority interests	-138 883
Basic / diluted earnings (loss) per share	-4,3

1) As a consequence of the cash offer of NOK 9.40 per share i FOP, First Olsen Ltd wrote down the book value of FOP with USD 44 million (NOK 260 million). The impairment was related to the remaining book value of the vessels.

Cash flows from discontinued operation (NOK 1000)	Jan-Jun 2013
Net cash used in operating activities	76 664
Net cash from investing activities	0
Net cash from financing activities	-60 749
Net cash flows for the year	15 915

Effect of disposal on the financial position of the Group (NOK 1000)	30.06.2013
Property, plant and equipment	-1 346 028
Financial fixed assets	-5 815
Inventories	-148
Trade receivables and other receivables other	-119 363
Bonds and securities, short term	-18 080
Cash and bank	-432 116
Pension liabilities	26 747
Interest-bearing other long term debt, other	843 906
Not interest-bearing other long term debt, other	4 872
Current interest bearing liabilities	0
Other current liabilities	61 565
Net assets and liabilities	-984 462

The investment in FOP was accounted for using the equity method and was consolidated with 50% in the Ganger Rolf Group of companies (GRO). The figures in the tables above are presented on 100% basis in the Bonheur Group of companies. GRO's share share of the figures is 50%.



GANGER ROLF ASA

Note 6 – Acquisition of associate

On 9 May 2014, the Group of companies acquired 9.4 % of the shares and voting interests in NHST Media Group (NHST). As a result, the Group of companies' equity interest in NHST increased from 17.6 to 27%.

Following this acquisition the Group of companies, together with Bonheur ASA, will continue its participation in the development of NHST in today's challenging media environment.

NHST is a Norwegian media conglomerate that publishes a number of newspapers and online tools. Among its newspapers is Dagens Næringsliv, a Norwegian business daily ranking among Norway's largest printed newspapers. The newspaper dates back to 1889.

For accounting purposes NHST is consolidated according to the equity method from 1 May 2014. In the two months to 30 June 2014, the share of profit from NHST was NOK 5.4 million. If the acquisition had occurred on 1 January 2014, management estimates that the share of profit would have been NOK 2.6 million. The reported amounts are in accordance with IFRS.

New cost price of NHST

The following table summarises the total cost price of the acquired shares in NHST.

(NOK 1000)

Number of new shares acquired	120 558
Price per share	382
Cost price - New shares	46 053
Number of previous shares acquired	227 135
Price per share	340
Adjusted cost price - Previous shares	77 163
Fair value reserve	13 691
Total cost price of shares controlled by Ganger Rolf Group of companies	136 907

The fair value reserve per 30 April 2014, NOK 13.7 million, has been transferred from other comprehensive income to profit or loss in connection with the reclassification of the investment in NHST from asset available for sale to an associate in Ganger Rolf Group of companies.



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Note 7 – Ganger Rolf ASA (Parent Company – NGAAP)

(NOK million) - unaudited

CONDENSED INCOME STATEMENT (NGAAP)

	Jan-Jun 2014	Jan-Jun 2013	Jan-Dec 2013
Revenues	0,1	0,2	0,4
Operating costs	-33,3	-16,7	-44,3
Operating result before depreciation (EBITDA)	-33,1	-16,5	-43,9
Depreciation	-0,9	-0,9	-1,8
Operating result (EBIT)	-34,0	-17,4	-45,6
Financial revenues	632,6	464,2	604,4
Financial costs	-46,9	-172,8	-636,2
Net financial items	585,6	291,4	-31,9
Result before tax (EBT)	551,6	274,0	-77,5
Estimated tax cost	-0,8	0,0	-22,5
Net result after estimated tax	550,9	274,0	-100,0

CONDENSED BALANCE SHEET (NGAAP)

	30.06.2014	30.06.2013	31.12.2013
Deferred tax asset	0,0	39,6	0,0
Property, plant and equipment	32,2	33,9	33,1
Investments in subsidiaries	4,0	337,0	10,0
Investments in associates	4 312,0	3 740,3	3 955,5
Other financial fixed assets	135,8	1 006,2	218,7
Non-current assets	4 484,0	5 157,0	4 217,3
Trade and other receivables	42,4	36,0	223,7
Cash and cash equivalents	181,0	365,2	170,3
Current assets	223,4	401,2	394,0
Total assets	4 707,4	5 558,2	4 611,3
Share capital	42,3	42,3	42,3
Treasury shares	-0,2	-	-
Share premium	25,9	25,9	25,9
Retained earnings	2 955,2	2 699,7	2 422,1
Equity	3 023,2	2 767,9	2 490,3
Non-current interest bearing liabilities	887,7	2 289,3	703,8
Other non-current liabilities	139,0	109,2	135,2
Non-current liabilities	1 026,7	2 398,4	839,0
Current interest bearing liabilities	590,4	299,8	903,0
Other current liabilities	67,2	92,1	378,9
Current liabilities	657,5	391,8	1 281,9
Total equity and liabilities	4 707,4	5 558,2	4 611,3



GANGER ROLF ASA

CONDENSED STATEMENT OF CASHFLOW (NGAAP)

<i>(NOK million) - unaudited</i>	Jan-Jun 2014	Jan-Jun 2013
Cash flow from operating activities		
Net result after tax	550,9	274,0
<i>Adjustments for:</i>		
Depreciation	0,9	0,9
Net of investment income, interest expenses and net unrealized foreign exchange gains	-571,2	-286,5
Net gain on sale of property, plant and equipment and other investments	-0,3	-0,2
Tax expense	0,8	0,0
Cash generated before changes in working capital and provisions	-18,9	-11,8
Increase (-) / decrease in trade and other receivables	0,5	1,6
Increase / decrease (-) in current liabilities	-3,5	-0,9
Cash generated from operations	-21,9	-11,1
Interest paid	-36,2	-43,4
Net cash from operating activities	-58,2	-54,5
Cash flow from investing activities		
Proceeds from sale of property, plant and equipment and other investments	1,2	3,1
Interest and dividends received	623,3	453,3
Acquisitions of property, plant and equipment and other investments	-215,9	-26,7
Net cash from investing activities	408,7	429,7
Cash flow from financing activities		
Increase in borrowings	175,8	1,7
Repayment of borrowings	-211,2	-2,3
Purchase of treasury shares	-20,0	-
Dividends paid	-284,4	-284,4
Net cash from financing activities	-339,8	-285,0
Net increase in cash and cash equivalents	10,7	90,2
Cash and cash equivalents at 1 January	170,3	275,0
Cash and cash equivalents at 30 June	180,966	365,2