



# BONHEUR ASA

## REPORT FOR THE THIRD QUARTER 2015

### Comments to the accounts for Bonheur ASA

The unaudited group accounts for 3 quarter 2015 comprise Bonheur ASA and its subsidiaries ("The Group of companies") and the Group of companies' ownership of associates.

Comparable figures for the corresponding period in 2014 in brackets.

#### Highlights 3Q 2015:

- Operating revenues were NOK 3 402 million (NOK 3 411 million)
- Operating result before depreciation (EBITDA) was NOK 1 305 million (NOK 1 213 million)
- Operating result (EBIT) was NOK 153 million (NOK 190 million)
- Net result after tax was NOK 70 million (NOK - 38 million)
- Earnings per share were NOK 1.0 (NOK 0.8)

#### Post quarter events

##### Fred. Olsen Energy ASA - Bollsta Dolphin:

- Arbitration notice received from Hyundai Heavy Industries Co. Ltd.
- Termination of Construction Contract and Drilling Contract



# BONHEUR ASA

## Financial information

As a consequence of Bonheur ASA holding more than 50% of the shares of Ganger Rolf ASA, Ganger Rolf ASA is fully consolidated for accounting purposes as a subsidiary of Bonheur ASA. As Bonheur ASA and Ganger Rolf ASA have a joint ownership (50% / 50%) of their major investments, the ownership structure entails full consolidation for accounting purposes of a number of companies. The main business segments comprise Offshore drilling, Renewable energy, Shipping / Offshore wind, Cruise and Other investments.

Financial key figures (figures in million NOK except for earnings per share)	3Q 15	3Q 14	Per 3Q 15	Per 3Q 14	2014
Operating revenue	3 402	3 411	11 027	8 882	12 347
EBITDA	1 305	1 213	4 824	2 933	4 322
EBIT	153	190	-1 439	693	1 304
Profit for the period	70	-38	-1 706	224	497
Hereof attributable to shareholders of the parent company 1)	33	27	-689	138	119
Average number of shares outstanding	32 345 668	32 345 668	32 345 668	32 345 668	32 345 668
Basic/diluted earnings per share NOK	1,0	0,8	-21,3	4,3	3,7
Interest bearing liabilities			21 353	18 453	18 750

1) The non-controlling interests mainly consist of 47.74% of Fred. Olsen Energy ASA (FOE), 37.01% of Ganger Rolf ASA, 44.06% of NHST Media Group AS and indirectly 49,00% of Fred. Olsen Wind Limited (UK).

Operating revenues have been impacted positively by higher USD, GBP and EUR against NOK compared with the corresponding quarter last year. USD was on average approximately 32% higher in 3 quarter 2015 compared to 3 quarter 2014 while GBP and EUR was 22% and 10% higher, respectively.

The Group of companies' operating revenues amounted to NOK 3 402 million (NOK 3 411 million) in the quarter. Offshore Drilling had operating revenues of NOK 1 985 million (NOK 2 094 million), Renewable Energy NOK 199 million (NOK 115 million), Shipping / Offshore wind NOK 254 million (NOK 429 million), Cruise NOK 647 million (NOK 474 million) and Other investments NOK 318 million (NOK 300 million). The latter includes operating revenues in NHST Media Group of NOK 296 million (NOK 286 million).

Operating result before depreciation (EBITDA) in the quarter was NOK 1 305 million (NOK 1 213 million). Compared with the same quarter last year EBITDA increased by approximately NOK 359 million due to the currency effects. The increase of NOK 92 million compared to the corresponding period last year is due to higher EBITDA within Offshore drilling, Renewable energy and Cruise. Offshore drilling achieved EBITDA of NOK 1 066 million (NOK 940 million) in the quarter, EBITDA within Renewable energy were NOK 106 million (NOK 52 million), while Cruise achieved EBITDA of NOK 186 million (NOK 102 million). The increase in EBITDA within these segments was partly offset by lower EBITDA within Shipping / Offshore wind, which were NOK -17 million (NOK 167 million). EBITDA within Other investments improved by NOK 12 million compared with the same quarter last year.

Depreciation and impairment in the quarter was NOK 1 152 million (NOK 1 023 million), of which impairment of assets within Offshore drilling amounted to NOK 257 million.

Operating result (EBIT) was NOK 153 million (NOK 190 million).

Net financial items were NOK - 49 million (NOK - 170 million). Net interest expenses in the quarter were NOK 190 million (NOK 151 million) and net currency gain was NOK 248 million (gain NOK 95 million). Net unrealized loss related to fair value adjustment of financial instruments was NOK - 76 million (NOK - 15 million). Received dividends in the quarter amounted to NOK 1 million (NOK 44 million).



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Net result in the quarter was NOK 70 million (NOK - 38 million), of which NOK 33 million are attributable to the shareholders of the parent company (NOK 27 million). The non-controlling interests' share of net result in the quarter was NOK 37 million (NOK - 65 million).

Revenues year to date were NOK 11 027 million (NOK 8 882 million) while EBITDA year to date were NOK 4 824 million (NOK 2 933 million). Operating result (EBIT) year to date was NOK - 1 439 million (NOK 693 million). Net financial items were NOK - 234 million (NOK - 415 million) and net result after estimated tax was NOK -1 706 million (NOK 224 million), of which NOK - 689 million (NOK 138 million) are attributable to the shareholders of the parent company.

### Business segments

The Group of companies' results for the individual business segments are presented in Note 4.

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 51.9% 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)	3Q 15	3Q 14	Per 3Q 15	Per 3Q 14
Operating revenues	1 985	2 094	6 715	5 424
EBITDA	1 066	940	3 904	2 201
EBIT	129	92	-1 740	444
Net result	172	-49	-1 850	135

*Below is an extract from FOE's report for 3 quarter 2015 (figures in USD unless otherwise stated).*

(Figures in USD million)	3Q 15	2Q 15	3Q 14	Per 3Q 15	Per 3Q 14
Operating revenues	241	326	335	851	887
EBITDA	130	209	151	496	359
EBIT	16	-305	15	-222	74
Net result	21	-328	-8	-236	23

Note that FOE shows 2 quarter 2015 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](http://www.fredolsen-energy.no)



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### “FINANCIAL INFORMATION (2nd quarter 2015 in brackets)

Operating revenues in the quarter were 241.4 million (325.9 million), a decrease of 84.5 million compared with the previous quarter. Revenues from the offshore drilling division were 240.3 million (323.6 million), a decrease of 83.3 million. The decrease in revenues within the offshore drilling division is mainly due an insurance settlement for Blackford Dolphin of USD 25.9 million in previous quarter and subsea related downtime on Bolette Dolphin (11 days), Byford Dolphin (16 days) and Blackford Dolphin (22 days) and Borgholm Dolphin being laid-up in 3<sup>rd</sup> quarter. Blackford Dolphin have had additional 12 days on off-hire in the beginning of 4<sup>th</sup> quarter.

Operating costs were 111.8 million (117.3 million), a decrease of 5.5 million compared with previous quarter. Operating costs within the offshore drilling division decreased by 6.3 million to 109.5 million (115.8 million). Operating costs within the engineering and fabrication division increased with 0.8 million, excluding intra-group eliminations of 55.8 million.

Operating profit before depreciation (EBITDA) was 129.6 million (208.6 million). EBITDA within the offshore drilling division decreased by 77.0 million to 130.8 million (207.8 million), and EBITDA within engineering and fabrication division was negative 1.2 million (2.3 million including internal profit of 1.5 million).

Depreciation and impairment amounted to 113.6 million (513.1 million), including a non-cash impairment charge of 31.0 million. The impairment charge is due to lower expected utilization in the near term future. Operating profit after depreciation and impairment (EBIT) was 16.0 million (negative 304.5 million).

Net financial items were 6.3 million (- 18.2 million). Capitalized interest expenses related to the newbuild in the quarter amounted to 1.8 million (1.8 million).

Profit before tax was 22.3 million (negative 322.7 million).

Net profit, including an estimated tax charge of 0.9 million (4.8 million), was 21.4 million (negative 327.5 million).

Earnings per share were 0.32 (-4.94).”

### Renewable energy

Renewable energy consists of 100% ownership of Fred. Olsen Renewables AS with subsidiaries (FOR). All figures below are on 100% basis.

(Figures in NOK million)	3Q 15	3Q 14	Per 3Q 15	Per 3Q 14
Operating revenues	199	115	824	511
EBITDA	106	52	550	340
EBIT	-1	-35	244	109
Net result	-98	-85	65	-43

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 September 2015 FOR



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had an installed capacity of 504 MW in production. Construction of the Swedish wind farm Fäbodliden (78 MW) continued during the quarter and completion is scheduled in 1 quarter 2016. Construction work for the UK wind farm Windy Standard II (61.5 MW) has commenced and completion is scheduled in 1 quarter 2017. 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 199 million (NOK 115 million). The increase in revenues from the corresponding quarter last year is mainly caused by higher wind speeds and increased installed capacity. The generation increased from 199 GWh in 3 quarter last year to 260 GWh in 3 quarter 2015. EBITDA were NOK 106 million (NOK 52 million).

At the end of the second quarter the UK listed infrastructure fund The Renewables Infrastructure Group Limited ("TRIG") acquired ownership of 49% of Fred. Olsen Wind Limited ("FOWL"). FOWL is the owner of the six operational wind farms in Scotland. Please see the second quarter 2015 financial report and stock exchange announcement of 24 June 2015 for further details.

Installed capacity (MW) and achieved generation (MWh) for the quarter and year to date is shown in the tables below.

GENERATION (MWh)	3Q 2015	3Q 2014	Per 3Q 2015	Per 3Q 2014
UK (FOWL)	205 083	161 999	863 255	642 561
Scandinavia	54 502	36 576	180 326	165 465
Total	259 585	198 575	1 043 581	808 026

CAPACITY (MW)	3Q 2015	3Q 2014
UK (FOWL)	432.8	414.4
Scandinavia	71.3	71.3
Total	504.1	485.7

Year to date, FOR had operating revenues of NOK 824 million (NOK 511 million). The generation increased from 808 GWh in the first nine months 2014 to 1 044 GWh per third quarter 2015. EBITDA were NOK 550 million (NOK 340 million).

### Shipping / Offshore wind

Shipping/Offshore wind consists of 100% ownership of Fred. Olsen Ocean Ltd with subsidiaries (FOO).

The segment includes Fred. Olsen Windcarrier AS, a company providing transport and installation services for the offshore wind industry and Universal Foundation Norway AS. Both companies are owned 100% by Fred. Olsen Ocean Ltd. Fred. Olsen Windcarrier 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, which operates a fleet of modern crew transfer vessels. Universal Foundation Norway AS owns 82% of Universal Foundation A/S, a company offering innovative offshore wind turbine foundations.

(Figures in NOK million)	3Q 15	3Q 14	Per 3Q 15	Per 3Q 14
Operating revenues	254	429	831	1 135
EBITDA	-17	167	116	382
EBIT	-51	134	16	282
Net result	-55	78	-64	186



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Operating revenues in the quarter were NOK 254 million compared with NOK 429 million in the same period in 2014. Income from the jack-up installation vessels “Brave Tern” and “Bold Tern” was lower during the quarter compared to previous year due to lower utilization following delays in construction of several offshore wind farms and increased competition from oil service vessels.

EBITDA for the third quarter decreased from NOK 167 million in 2014 to NOK - 17 million in 2015. The decline in EBITDA compared to 2014 is due to the low utilization. Brave Tern is preparing for a yard stay where she will have her legs and boom extended to be in a better position to compete for a wider range of projects in deeper waters and with larger turbines.

Fred. Olsen Windcarrier Denmark A/S operates a fleet of 8 high-speed vessels built for safe and efficient transport of goods and personnel to and from offshore wind farms. 7 out of the fleet of 8 vessels were at the end of the quarter engaged on projects with durations varying from 1 month to 1 year.

Global Wind Service A/S provides a wide range of installation and maintenance services of wind turbines. The Company is currently employing more than 580 persons worldwide. Global Wind Service A/S continues to see good demand for their services in Europe.

Universal Foundation signed a contract in June with The Lake Erie Energy Development Corporation (LEEDCo) in the United States, for the detailed design of the Mono Bucket foundations for their Icebreaker offshore wind project planned for the Ohio waters of Lake Erie.

Year to date revenues were NOK 831 million (NOK 1 135 million) and EBITDA was NOK 116 million (NOK 382 million).

### Cruise

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

(Figures in NOK million)	3Q 15	3Q 14	Per 3Q 15	Per 3Q 14
Operating revenues	647	474	1 660	1 269
EBITDA	186	102	302	108
EBIT	126	55	129	-27
Net result	123	44	141	-57

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

Operating revenues in the quarter were NOK 647 million (NOK 474 million). Operating result before depreciation (EBITDA) was NOK 186 million (NOK 102million).

The number of passenger days totaled 312 384 (322 175) for the quarter. Net ticket income per diem was 21% higher compared to the corresponding quarter last year. The average spot price of fuel oil in the quarter was 50% lower than in 3 quarter 2014.

Year to date, FOCL had operating revenues of NOK 1 660 million (NOK 1 269 million). EBITDA were NOK 302 million (NOK 108 million).



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### **Other investments**

Other Investments mainly consist of an ownership of 54.0% of NHST Media Group AS, 12.6% of Koksa Eiendom AS as well as 100% of AS Fred. Olsen Fly- og Luftmateriell and the service companies Fred. Olsen Insurance Services AS and Fred. Olsen Travel AS.

### **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 five main business segments, DN (Dagens Næringsliv – a newspaper for business and TDN Finans), Direct Relations (MyNewsdesk, Intermedium AS), Global (Tradewinds, Upstream, Intrafish Media, Europower AS and Recharge), Nautical Charts and Other (Smartcom:tv).

NHST Media Group AS experienced an increase in circulation income of 1% in the quarter compared to 3 quarter 2014. The advertising revenues have been hit with a decrease of 12% compared to the same quarter 2014. Income from services was up by 35% in the quarter compared to 2014. Total revenues for third quarter increased by 4%. The shift towards revenue from digital products is still increasing and is now representing 35% of the revenues.

NHST Media Group AS achieved a gross revenue of NOK 296 million in the quarter (NOK 286 million). Operating result before depreciation (EBITDA) for the quarter was NOK 4 million (NOK - 7 million).

Revenues for the first nine months was NOK 940 million (2014: five months NOK 506 million) and EBITDA was NOK 49 million (2014: five months: NOK 24 million).

### **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), a company which holds commercial properties and development properties in the Fornebu area in Oslo, Norway.



## BONHEUR ASA

### Other information

#### Capital and financing

During the first nine months of 2015 investments were NOK 3 847 million, mainly related to Offshore drilling (FOE) and Renewable energy (FOR).

Within FOE, capital expenditures amounted to NOK 3 164 million, relating to class renewal surveys and general upgrades.

FOR had capital expenditures of NOK 615 million, mainly related to the construction of the Fäbodliden wind farm in Sweden and pre-construction activities on other wind farm projects.

Gross interest bearing debt of the Group of companies as per end of 3 quarter was NOK 21 353 million, an increase of NOK 2 603 million since year end 2014. Cash and cash equivalents amounted to NOK 8 637 million, an increase of NOK 2 964 million since year end 2014. Net interest bearing debt of the Group of companies per 3 quarter 2015 was NOK 12 716 million, a decrease of NOK 361 million since year end 2014. The equity to asset ratio was 34% compared with 35% at year-end 2014.

For a detailed split per segment, see the table below:

(NOK million)	Offshore Drilling	Renewable Energy	Shipping/ Offshore wind	Cruise	Other	30.09.2015 Total	31.12.2014 Total
Gross interest bearing liabilities *)	11 956	5 733	1 123	0	2 541	21 353	18 750
Cash and cash equivalents	-1 781	-4 632	-336	-318	-1 570	-8 637	-5 673
Net interest bearing liabilities *)	10 175	1 101	787	-318	971	12 716	13 077

\*) Intercompany loans not included





# BONHEUR ASA

## Condensed consolidated financial statements in accordance with IFRS

### Income statement Group of Companies

(NOK million) - unaudited

	Note	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014	Jan-Dec 2014
Revenues	4	3 401,7	3 411,1	11 027,1	8 881,7	12 347,3
Operating costs		-2 096,6	-2 198,3	-6 202,9	-5 948,7	-8 025,0
<b>Operating result before depreciation / impairment losses (EBITDA)</b>	4	<b>1 305,1</b>	<b>1 212,7</b>	<b>4 824,1</b>	<b>2 933,1</b>	<b>4 322,3</b>
Depreciation / Impairment losses		-1 152,4	-1 023,2	-6 263,2	-2 239,7	-3 018,8
<b>Operating result (EBIT)</b>	4	<b>152,7</b>	<b>189,6</b>	<b>-1 439,1</b>	<b>693,4</b>	<b>1 303,5</b>
Share of result from associates		-1,9	0,0	-1,9	108,1	107,9
Result before financial items		150,8	189,6	-1 441,0	801,5	1 411,4
Financial income		167,4	410,1	782,6	650,2	1 278,7
Financial expenses		-216,6	-579,9	-1 016,5	-1 065,4	-1 748,2
Net financial income / expense (-)		-49,2	-169,9	-233,8	-415,1	-469,4
<b>Result before tax (EBT)</b>		<b>101,6</b>	<b>19,7</b>	<b>-1 674,8</b>	<b>386,3</b>	<b>942,0</b>
Income tax expense	6	-31,7	-57,7	-31,2	-162,0	-445,0
<b>Net result</b>		<b>69,9</b>	<b>-38,0</b>	<b>-1 706,0</b>	<b>224,3</b>	<b>497,0</b>
Hereof attributable to non-controlling interests 1)		37,0	-64,8	-1 017,2	85,9	377,9
Hereof attributable to shareholders of the parent company		32,9	26,7	-688,8	138,4	119,2
Basic earnings / Diluted earnings per share (NOK)		1,0	0,8	-21,3	4,3	3,7
Basic earnings / Diluted earnings per share from continuing operations (NOK)		1,0	0,8	-21,3	4,3	3,7

1) The non-controlling interests mainly consist of 47.74% of Fred. Olsen Energy ASA , 37.01% of Ganger Rolf ASA, 44.06% of NHST Media Group AS and indirectly 49,00% of Fred. Olsen Wind Limited (UK).



# BONHEUR ASA

## Statement of comprehensive income

(NOK million) - unaudited

	Jul-Sep 2015	Jul-Sep 2014	Jan-Sep 2015	Jan-Sep 2014
<b>Profit for the period</b>	69,9	-38,0	-1 706,0	224,3
<b>Other comprehensive income:</b>				
<b>Items that will not be reclassified to profit or loss</b>				
Other comprehensive income for the period	4,9	6,6	-0,7	26,4
<b>Total items that will not be reclassified to profit or loss</b>	4,9	6,6	-0,7	26,4
<b>Items that may be reclassified subsequently to profit or loss</b>				
Foreign exchange translation effects:				
- Foreign currency translation differences for foreign operations	999,0	350,7	1 674,6	465,9
- Foreign currency translation differences for foreign operations transferred to profit and loss	0,0	0,0	0,0	0,0
Hedging effects:				
- Effective portion of changes in fair value of interest hedges	-0,1	-0,1	0,5	0,4
Fair value effects related to financial instruments:				
- Net change in fair value of available-for-sale financial assets	-33,5	-11,2	-32,6	34,0
- Net change in fair value of available-for-sale financial assets transferred to profit or loss	0,0	0,0	0,0	0,0
Other comprehensive income from associates	0,0	1,7	0,0	-1,0
Income tax on other comprehensive income	0,6	-0,1	1,0	-0,3
<b>Total items that may be reclassified subsequently to profit or loss</b>	966,0	341,0	1 643,6	498,9
<b>Other comprehensive income for the period, net of income tax</b>	<b>971,0</b>	<b>347,6</b>	<b>1 642,8</b>	<b>525,3</b>
<b>Total comprehensive income for the period</b>	<b>1 040,9</b>	<b>309,6</b>	<b>-63,2</b>	<b>749,7</b>
<b>Attributable to:</b>				
Equity holders of the parent	621,8	163,1	-169,6	277,2
Non-controlling interests 1)	419,1	146,5	106,4	472,4
<b>Total comprehensive income for the period</b>	<b>1 040,9</b>	<b>309,6</b>	<b>-63,2</b>	<b>749,7</b>

1) As at 30 June 2015 the non-controlling interests consist of 47.74% of Fred. Olsen Energy ASA, 37.01% of Ganger Rolf ASA, 44.06% of NHST Media Group AS and indirectly 49,00% of Fred. Olsen Wind Limited (UK).



# BONHEUR ASA

## Statement of financial position

(NOK million) - unaudited

	30.09.2015	30.09.2014	31.12.2014
Intangible fixed assets	1 190,6	926,1	1 060,0
Deferred tax asset	332,9	240,6	275,1
Property, plant and equipment	32 169,2	25 570,5	30 087,6
Investments in associates	6,2	5,5	6,1
Other financial fixed assets	679,7	882,2	736,4
<b>Non-current assets</b>	<b>34 378,6</b>	<b>27 624,8</b>	<b>32 165,3</b>
Inventories and consumable spare parts	1 171,8	872,3	995,5
Trade and other receivables	2 469,8	2 466,5	2 581,6
Cash and cash equivalents	8 636,8	6 740,5	5 673,2
<b>Current assets</b>	<b>12 278,3</b>	<b>10 079,3</b>	<b>9 250,3</b>
<b>Total assets</b>	<b>46 656,9</b>	<b>37 704,1</b>	<b>41 415,5</b>
Share capital	51,0	51,0	51,0
Share premium reserve	25,9	25,9	25,9
Retained earnings	9 285,5	7 141,5	7 853,3
Equity owned by the shareholders in the parent company	9 362,4	7 218,4	7 930,2
Non-controlling interests 1)	6 677,0	5 678,3	6 603,6
<b>Equity</b>	<b>16 039,3</b>	<b>12 896,7</b>	<b>14 533,7</b>
Non-current interest bearing liabilities	17 820,1	16 567,5	17 602,4
Other non-current liabilities	1 959,2	1 489,3	1 870,1
<b>Non-current liabilities</b>	<b>19 779,3</b>	<b>18 056,8</b>	<b>19 472,5</b>
Current interest bearing liabilities	3 532,8	1 885,9	1 147,8
Other current liabilities	7 305,5	4 864,7	6 261,5
<b>Current liabilities</b>	<b>10 838,3</b>	<b>6 750,5</b>	<b>7 409,3</b>
<b>Total equity and liabilities</b>	<b>46 656,9</b>	<b>37 704,1</b>	<b>41 415,5</b>

Oslo, 29 October 2015

Bonheur ASA - the Board of Directors

Fred. Olsen  
Chairman

Carol Bell  
Director

Nick Emery  
Director

Helen Mahy  
Director

Andreas Mellbye  
Director

Anette S. Olsen  
Managing Director

1) The non-controlling interests mainly consist of 47.74% of Fred. Olsen Energy ASA , 37.01% of Ganger Rolf ASA, 44.06% of NHST Media Group AS and indirectly 49,00% of Fred. Olsen Wind Limited (UK).



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## Statement of changes in equity

(NOK million) - unaudited

	Share Capital	Share premium	Translation reserve	Hedging reserve	Fair value reserve	Own shares 1)	Retained earnings	Total	Non-controlling interests	Total equity
Balance at 1 January 2014	51,0	25,9	-500,3	-1,3	146,6	-113,3	7 485,5	7 094,2	5 859,3	12 953,5
Total comprehensive income for the period	0,0	0,0	214,6	0,4	33,7	0,0	28,6	277,2	472,4	749,7
Acquisition of subsidiary	0,0	0,0	0,0	0,0	0,0	0,0	113,4	113,4	89,3	202,7
Acquisition of non-controlling interests, without a change in control	0,0	0,0	0,0	0,0	0,0	0,0	-40,0	-40,0	0,0	-40,0
Dividends to shareholders in parent company	0,0	0,0	0,0	0,0	0,0	0,0	-226,4	-226,4	0,0	-226,4
Dividends to minority interests in subsidiaries	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-742,7	-742,7
<b>Balance at 30 September 2014</b>	<b>51,0</b>	<b>25,9</b>	<b>-285,7</b>	<b>-0,9</b>	<b>180,2</b>	<b>-113,3</b>	<b>7 361,1</b>	<b>7 218,4</b>	<b>5 678,3</b>	<b>12 896,7</b>
Balance at 1 January 2015	51,0	25,9	774,3	-1,0	161,8	-113,3	7 031,5	7 930,2	6 603,6	14 533,7
Total comprehensive income for the period	0,0	0,0	1 095,8	0,5	-31,5	0,0	-1 234,3	-169,6	106,4	-63,2
Effect from transactions with non-controlling interests	0,0	0,0	0,0	0,0	0,0	0,0	1 682,7	1 682,7	73,2	1 755,9
Dividends to shareholders in parent company	0,0	0,0	0,0	0,0	0,0	0,0	-80,9	-80,9	0,0	-80,9
Dividends to minority interests in subsidiaries	0,0	0,0	0,0	0,0	0,0	0,0	0,0	0,0	-106,3	-106,3
<b>Balance at 30 September 2015</b>	<b>51,0</b>	<b>25,9</b>	<b>1 870,1</b>	<b>-0,6</b>	<b>130,2</b>	<b>-113,3</b>	<b>7 398,9</b>	<b>9 362,4</b>	<b>6 677,0</b>	<b>16 039,3</b>

### Share capital and share premium

Par value per share	NOK 1.25
Number of shares issued	40 789 308

### Translation reserve

The reserve represents exchange differences resulting from the consolidation of subsidiaries and associated companies having other functional currencies than NOK.

### Hedging reserve

The reserve comprises the effective portion of cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

### Fair value reserve

The reserve includes the cumulative net change in the fair value of available-for-sale investments until the investment is derecognised.

### Non-controlling interests

As at 30 September 2015 the non-controlling interests consist of 47.74% of Fred. Olsen Energy ASA, 37.01% of Ganger Rolf ASA, 44.06% of NHST Media Group AS and indirectly 49,00% of Fred. Olsen Wind Limited (UK).

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



# BONHEUR ASA

## Consolidated statement of cash flow

<i>(NOK million) - unaudited</i>	<b>Jan-Sep 2015</b>	<b>Jan-Sep 2014</b>
<b>Cash flow from operating activities</b>		
Net result	-1 706,0	224,3
<i>Adjustments for:</i>		
Depreciation, impairment losses	6 263,2	2 239,7
Net of investment income, interest expenses and net unrealized foreign exchange gains	131,0	230,4
Share of result from associates	1,9	-108,1
Net gain (-) / loss on sale of property, plant and equipment and other investments	-1,7	-16,7
Tax expense	31,2	162,0
Cash generated before changes in working capital and provisions	4 719,6	2 731,6
Increase (-) / decrease in trade and other receivables	274,0	-217,4
Increase / decrease (-) in current liabilities	-110,9	-64,2
Cash generated from operations	4 882,6	2 450,0
Interest paid	-596,9	-473,3
Tax paid	-309,7	-69,9
<b>Net cash from operating activities</b>	<b>3 976,1</b>	<b>1 906,8</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and other investments	58,1	351,1
Interest and dividends received	62,6	74,5
Acquisitions of property, plant and equipment and changes in other investments	-3 878,8	-5 821,9
<b>Net cash from investing activities</b>	<b>-3 758,0</b>	<b>-5 396,2</b>
<b>Cash flow from financing activities</b>		
Net proceed from issue of shares in subsidiaries	1 834,1	0,0
Increase in borrowings	2 251,4	14 290,2
Repayment of borrowings	-1 574,4	-8 550,4
Dividends paid	-118,8	-967,6
<b>Net cash from financing activities</b>	<b>2 392,3</b>	<b>4 772,1</b>
Net increase in cash and cash equivalents	2 610,4	1 282,7
Cash and cash equivalents at 1 January	5 673,2	5 379,1
Effect of exchange rate fluctuations on cash held	353,2	78,7
<b>Cash and cash equivalents at 30 September</b>	<b>8 636,8</b>	<b>6 740,5</b>



# BONHEUR ASA

## Notes

### Note 1 – Basis of presentation

The Group accounts for the third quarter 2015 comprise Bonheur ASA and its subsidiaries (“The Group of companies”) and the shares in associates. The quarterly accounts of 2015 and the Group of companies’ accounts for 2014 may be obtained by contacting Fred. Olsen & Co., Oslo, or at [www.bonheur.net](http://www.bonheur.net)

### Financial framework and accounting principles

The interim accounts have been prepared in accordance with 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 2014 and the previous interim reports issued in 2015. The interim financial report for third quarter 2015 was approved by the Company’s board on 29 October 2015.

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 2014.

### 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 2014 Group accounts.

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

In May 2012 a subsidiary of Fred. Olsen Energy ASA entered into a turnkey contract with Hyundai Heavy Industries Co., Ltd. for the construction of a harsh environment ultra deepwater semi-submersible drilling rig. As of 30 September 2015, the drilling rig Bollsta Dolphin was under construction, and included as acquisition in the table below with USD 152 million based on percent of completion. The total accrued cost related to Bollsta Dolphin per 30 September 2015 is USD 417 million recorded under other current liabilities. See further information in note 7, subsequent events.

An indirectly owned subsidiary of Fred. Olsen Renewables AS, which is owned 50/50 by Bonheur ASA and Ganger Rolf ASA, has one wind farm under construction in Sweden (Fäbodliden) with expected completion in 1 quarter 2016. Per 30 September 2015 total capitalized construction cost is SEK 760 million.

In addition other indirectly owned subsidiaries of Fred. Olsen Renewables AS have commenced construction of two wind farms in Scotland, Windy Standard II and Crystal Rig III, both with expected completion in 1 quarter 2017.

Per 30 September 2015 total capitalized construction cost for Windy Standard II and Crystal Rig III are GBP 9 million and GBP 0.9 million respectively.



## BONHEUR ASA

(NOK million)

	Rigs and drillships	Vessels	Windfarms	Other	Total
<b>Cost</b>					
Balance at 1 January 2015	32 835,9	7 280,4	6 095,5	1 294,5	47 506,2
Acquisitions	4 395,2	16,6	537,7	61,1	5 010,7
Disposals	-2 155,8			-23,2	-2 179,0
Movements and foreign currency	4 864,7	694,8	603,1	97,5	6 260,1
<b>Balance at 30 September 2015</b>	<b>39 939,9</b>	<b>7 991,8</b>	<b>7 236,2</b>	<b>1 430,0</b>	<b>56 598,0</b>
<b>Depreciation</b>					
Balance at 1 January 2015	11 542,2	3 288,1	1 796,7	791,7	17 418,6
Depreciation	2 085,5	263,8	305,3	62,9	2 717,6
Impairment	3 528,0				3 528,0
Disposals	-2 155,8			-9,8	-2 165,6
Movements and foreign currency	2 252,0	394,6	216,5	67,2	2 930,3
<b>Balance at 30 September 2015</b>	<b>17 251,9</b>	<b>3 946,5</b>	<b>2 318,4</b>	<b>912,0</b>	<b>24 428,8</b>
<b>Carrying amounts</b>					
At 1 January 2015	21 293,7	3 992,3	4 298,8	502,8	30 087,6
<b>At 30 September 2015</b>	<b>22 688,0</b>	<b>4 045,3</b>	<b>4 917,8</b>	<b>518,0</b>	<b>32 169,2</b>

The Group of companies continuously evaluates its assets on an individual basis at each reporting date to determine whether there is an objective evidence of impairment within the various business segments. One Group segment had indications on need for impairment and tested the recoverable amounts at the end of third quarter. Recoverable amount is the highest value of its fair value less cost of disposal and its value in use. Value in use is the present value of future cash flows expected to be derived from the asset / cash generating unit.

Within the Group of companies, impairment of NOK 257 million was in the quarter recognized on offshore drilling units within Fred. Olsen Energy ASA. Year to date total impairment on drilling units were NOK 3 528 million.

### Note 3 – Intangible assets – investments

As per 30 September 2015 the Group of companies had intangible assets of NOK 1 191 million. NOK 483 million is the net book value of the intangible assets from the acquisition of NHST as of 1 May 2014. As per 30 September 2015 NHST also has own intangible assets of NOK 92 million. In addition FOR has intangible assets of NOK 501 million, which is development costs related to wind farms. FOE has intangible assets of NOK 99 million which is goodwill.



# BONHEUR ASA

## Note 4– Segment information

3.quarter	Offshore drilling		Renewable energy		Shipping/Offsh. Wind		Cruise		Other investments				
	3Q.15	3Q.14	3Q.15	3Q.14	3Q.15	3Q.14	3Q.15	3Q.14	3Q.15	3Q.14	3Q.15	3Q.14	
Fully consolidated companies													
Revenues	1 985	2 094	199	115	254	429	647	474	318	300	3 402	3 411	
Operating costs	-919	-1 154	-93	-63	-270	-262	-460	-372	-354	-348	-2 097	-2 198	
Oper. result before depr. (EBITDA)	1 066	940	106	52	-17	167	186	102	-36	-48	1 305	1 213	
Depreciation / Write down	-937	-848	-107	-87	-35	-33	-61	-47	-13	-8	-1 152	-1 023	
Operating result (EBIT)	129	92	-1	-35	-51	134	126	55	-50	-56	153	190	
Net result (EAT)	172	-49	-98	-85	-55	78	123	44	-72	-26	70	-38	

Per 3. quarter	Offshore drilling		Renewable energy		Shipping/Offsh. Wind		Cruise		Other investments				
	Jan-Sep15	Jan-Sep14	Jan-Sep15	Jan-Sep14	Jan-Sep15	Jan-Sep14	Jan-Sep15	Jan-Sep14	Jan-Sep15	Jan-Sep14	Jan-Sep15	Jan-Sep14	
Fully consolidated companies													
Revenues	6 715	5 424	824	511	831	1 135	1 660	1 269	997	543	11 027	8 882	
Operating costs	-2 810	-3 224	-274	-172	-715	-752	-1 358	-1 161	-1 045	-640	-6 203	-5 949	
Oper. result before depr. (EBITDA)	3 904	2 201	550	340	116	382	302	108	-48	-98	4 824	2 933	
Depreciation / Write down	-5 644	-1 757	-306	-231	-101	-100	-173	-135	-40	-16	-6 263	-2 240	
Operating result (EBIT)	-1 740	444	244	109	16	282	129	-27	-88	-114	-1 439	693	
Net result (EAT)	-1 850	135	65	-43	-64	186	141	-57	3	3	-1 706	224	
Total assets	27 529	21 772	10 618	5 349	3 213	3 475	2 122	1 755	3 176	5 352	46 657	37 704	
Total liabilities	18 444	13 808	6 852	4 389	1 596	1 933	808	1 335	2 918	3 343	30 618	24 807	

### Companies fully consolidated in the accounts

#### **Offshore Drilling**

Fred. Olsen Energy ASA.

#### **Renewable energy**

Fred. Olsen Renewables AS.

#### **Cruise**

Fred Olsen Cruise Lines Ltd and First Olsen Holding AS.

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

*Shipping activities (inclusive tankers in 2014): Fred. Olsen Ocean Ltd.*

*Offshore wind: Fred. Olsen Windcarrier AS, Universal Foundation Norway AS and Fred. Olsen Ocean Ltd.*

#### **Other investments**

Fred. Olsen Travel AS, Fred. Olsen Insurance Services AS, Fred. Olsen Fly- og Luftmateriell AS, Stavnes Byggeselskap AS, Oslo Shipholding AS (liquidated in 4<sup>th</sup> quarter 2014), Fred. Olsen Cruise Lines Pte. Ltd., FO Capital Ltd, Bonheur og Ganger Rolf ANS, Bonheur ASA, Ganger Rolf ASA, Laksa AS, Laksa II AS, and NHST Media Group AS (from 1 May 2014).

### Associates (accounted for using equity method)

#### **Renewable energy**

Codling Holding Ltd. (50%) and Aurora AS (50%).

#### **Other investments**

NHST Media Group AS (36.87%, up to and including April 2014, thereafter fully consolidated), Morgenbladet AS (33,33%) and Smartcom TV AS (35%).





## BONHEUR ASA

### Note 5 – Interest bearing loans

FOE has repaid USD 135 million and drawn USD 130 million of the fleet facility as per September 2015. Available lines under the long-term fleet facility were USD 210 million as per 30 September 2015.

FOR has secured bank loans of GBP 317 million, finance lease liabilities of GBP 29 million and other interest bearing loans of GBP 5 million as per 30 September 2015. In addition, The Renewables Infrastructure Group Limited (TRIG) provided FOR with two shareholder loans of a total of GBP 103.9 million in 2 quarter 2015 in connection with TRIG's acquisition of 49% ownership in Fred. Olsen Wind Limited. Per 30 September 2015 FOR has repaid GBP 10.2 million of the loan.

FOO has bank loans EUR 118 million outstanding as per 30 September 2015.

NHST has bank loans of NOK 54 million outstanding as per 30 September 2015.

In 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, respectively, of the proceeds from the bond issues from Bonheur ASA at identical terms.

On 26 June 2014 Bonheur ASA 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. Ganger Rolf ASA has borrowed 50% of the proceeds from both bond issues from Bonheur ASA at identical terms.

### Note 6 – Taxes

There are ongoing tax disputes between subsidiaries within the Group of companies and the Norwegian tax authorities. For further information, please refer to Note 28 in the Annual Report for 2014.

In 2009 the subsidiary Barient NV received a subsequent tax ruling for the year 1999 of NOK 51 million. The company appealed the ruling to the court (Tingretten) but the tax authorities gained support for their view both by the Court (Tingretten) and by the Court of Appeal (Lagmannsretten). The company appealed the decision to the Supreme Court (Høyesterett) but in March 2015 the appeal was rejected. All taxes related to the issue are paid and charged to income statement.

Bonheur ASA and Ganger Rolf ASA both received a draft decision of change from the tax authorities regarding the taxable income for 1999 based on the dispute mentioned above. The amount was reflected in recognized income tax expense for 2012. However, in June 2015 both companies received letters from the tax authorities notifying that the tax office will drop the cases against the companies. This resulted in a tax income of NOK 53 million in the second quarter 2015 for each of the companies (NOK 106 million for the Bonheur group), but with no cash effect.

In 2013 a subsidiary, Mopu AS, was notified by the tax authorities of a possible change in the taxable income for 2005-2006. In February 2015 the company received a draft decision, whereby the possible payable tax was estimated to NOK 102 million. The amount was reflected in the recognized income tax expenses for 2014. The tax claim was challenged by the subsidiary, but in June 2015 the company received a final decision from the tax authorities leading to a payable tax, including interest, of NOK 126 million. The company has challenged the decision to the tax appeal institute (skatteklagenemda). In 3 quarter 2015, Mopu AS received a draft decision regarding penalty tax on the same case. The penalty tax rate was not reflected in the draft, but will be between 15% and 60% of the original paid tax. The company has challenged the decision.



## BONHEUR ASA

### Note 7 - Subsequent events

On 22 October, Bollsta Dolphin Pte. Ltd., a subsidiary of Fred. Olsen Energy ASA, received a notice of arbitration from Hyundai Heavy Industries Co. Ltd. (HHI). HHI alleges that it is entitled to an additional payment of about MUSD 167 and additional time to complete and deliver Bollsta Dolphin. The claim is considered to be without merit; principally because the construction contract is a so called turn-key delivery for a pre-agreed price. The contract also contains a specific variation order regime dealing with any adjustments or modifications. The amount of variations are negligible.

The construction of the unit was substantially delayed and Bollsta Dolphin Pte. Ltd. therefore decided to exercise its contractual right to terminate the construction contract with HHI. In connection with this termination, Chevron North Sea Limited and Dolphin Drilling Ltd. in good faith agreed on amicable terms to terminate the drilling contract under which the newbuilding was supposed to operate.

### Note 8 – Bonheur ASA (Parent company – NGAAP)

(NOK million) - unaudited

#### CONDENSED INCOME STATEMENT (NGAAP)

	Jan-Sep 2015	Jan-Sep 2014	Jan-Dec 2014
Revenues	0,2	0,2	0,3
Operating costs	-49,8	-50,9	-63,5
<b>Operating result before depreciation (EBITDA)</b>	<b>-49,6</b>	<b>-50,7</b>	<b>-63,2</b>
Depreciation	-1,2	-1,3	-1,7
<b>Operating result (EBIT)</b>	<b>-50,8</b>	<b>-52,0</b>	<b>-64,9</b>
Financial revenues	115,9	852,0	878,9
Financial costs	-53,7	-66,5	-127,4
Net financial items	62,2	785,5	751,5
<b>Result before tax (EBT)</b>	<b>11,4</b>	<b>733,5</b>	<b>686,5</b>
Estimated tax cost	63,3	-0,8	-13,2
<b>Net result after estimated tax</b>	<b>74,7</b>	<b>732,8</b>	<b>673,3</b>

#### CONDENSED BALANCE SHEET (NGAAP)

	30.09.2015	30.09.2014	31.12.2014
Deferred tax asset	0,0	0,0	0,0
Property, plant and equipment	29,6	31,3	30,9
Investments in subsidiaries	5 539,6	4 845,6	4 969,0
Investments in associates	0,0	0,5	0,0
Other financial fixed assets	452,8	538,3	894,3
<b>Non-current assets</b>	<b>6 022,0</b>	<b>5 415,7</b>	<b>5 894,2</b>
Trade and other receivables	77,1	3,9	321,4
Cash and cash equivalents	1 195,4	1 124,5	1 172,5
<b>Current assets</b>	<b>1 272,5</b>	<b>1 128,4</b>	<b>1 493,9</b>
<b>Total assets</b>	<b>7 294,4</b>	<b>6 544,1</b>	<b>7 388,1</b>
Share capital	51,0	51,0	51,0
Share premium	25,9	25,9	25,9
Retained earnings	4 436,1	4 544,5	4 463,4
<b>Equity</b>	<b>4 513,0</b>	<b>4 621,4</b>	<b>4 540,3</b>
Non-current interest bearing liabilities	1 243,8	1 241,8	1 242,3
Other non-current liabilities	165,3	140,9	160,2
<b>Non-current liabilities</b>	<b>1 409,2</b>	<b>1 382,6</b>	<b>1 402,4</b>
Current interest bearing liabilities	0,0	471,4	0,0
Other current liabilities	1 372,2	68,6	1 445,4
<b>Current liabilities</b>	<b>1 372,2</b>	<b>540,0</b>	<b>1 445,4</b>
<b>Total equity and liabilities</b>	<b>7 294,4</b>	<b>6 544,1</b>	<b>7 388,1</b>



## BONHEUR ASA

<i>(NOK million) - unaudited</i>	<b>Jan-Sep 2015</b>	<b>Jan-Sep 2014</b>
<b>Cash flow from operating activities</b>		
Net result after tax	74,7	732,8
<i>Adjustments for:</i>		
Depreciation	1,2	1,3
Net of investment income, interest expenses and net unrealized foreign exchange gains	-47,6	-767,6
Net gain on sale of property, plant and equipment and other investments	0,0	-0,5
Tax expense	-63,3	0,8
Cash generated before changes in working capital and provisions	-35,0	-33,2
Increase (-) / decrease in trade and other receivables	0,3	2,7
Increase / decrease (-) in current liabilities	-20,0	-9,2
Cash generated from operations	-54,7	-39,7
Interest paid	-50,4	-51,9
Tax paid	10,3	
<b>Net cash from operating activities</b>	<b>-94,8</b>	<b>-91,6</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale of property, plant and equipment and other investments	33,9	1,5
Interest and dividends received	96,1	820,8
Acquisitions of property, plant and equipment and other investments *)	88,1	-409,8
<b>Net cash from investing activities</b>	<b>218,1</b>	<b>412,5</b>
<b>Cash flow from financing activities</b>		
Increase in borrowings	1,6	746,8
Repayment of borrowings	-	-330,8
Dividends paid	-102,0	-285,5
<b>Net cash from financing activities</b>	<b>-100,4</b>	<b>130,5</b>
Net increase in cash and cash equivalents	22,9	451,3
Cash and cash equivalents at 1 January	1 172,5	673,2
<b>Cash and cash equivalents at 30 September</b>	<b>1 195,4</b>	<b>1 124,5</b>

\*) Including repayment of loan to subsidiary (2015)