



BONHEUR ASA

REPORT FOR THE THIRD QUARTER 2017

Financial and operating highlights 3Q 2017 (3Q 2016 in brackets):

- Operating revenues were NOK 2 180 million (NOK 3 346 million)
- EBITDA (operating result before depreciation, impairment, result from associates, finance and tax) was NOK 572 million (NOK 1 343 million)
- Year on year EBITDA improvement of NOK 23 million, apart from Offshore drilling
- EBIT (operating result) was NOK - 96 million (NOK 38 million)
- Net finance was NOK - 208 million (NOK - 230 million).
- Net result after tax was NOK - 338 million (NOK - 251 million)

Offshore drilling

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

Renewable energy

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

Shipping / Offshore wind

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

Cruise

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



BONHEUR ASA

Financial information

The unaudited Group accounts for 3 quarter 2017 comprise Bonheur ASA ("the Company") and its subsidiaries ("the Group") and the Group's ownership of associates.

The main business segments of the Group are Offshore drilling, Renewable energy, Shipping / Offshore wind, Cruise and Other investments.

Financial key figures (million NOK)	3Q 17	3Q 16	Per 3Q 17	Per 3Q 16	2016
Operating revenue	2 180	3 346	6 570	9 785	12 415
EBITDA	572	1 343	1 957	4 007	5 072
EBIT	-96	38	-740	-386	-294
Net result after tax	-338	-251	-1 298	-1 052	-1 004
Hereof attributable to shareholders of the parent company	-164	-114	-594	-510	-490
Total number of shares outstanding			42 531 893	42 531 893	42 531 893
Average number of shares outstanding in the period	42 531 893	42 531 893	42 531 893	41 698 759	41 927 226
Basic/diluted earnings per share	-3.8	-2.7	-14.0	-12.2	-11.7
Gross interest bearing liabilities			14 034	16 219	15 097
Net interest bearing liabilities			5 683	8 121	7 869
Cash and cash equivalents			8 351	8 098	7 228
Capital expenditure	109	256	270	591	1 004

The Group's operating revenues amounted to NOK 2 180 million (NOK 3 346 million). Offshore drilling had operating revenues of NOK 607 million (NOK 1 778 million), Renewable energy NOK 233 million (NOK 202 million), Shipping / Offshore wind NOK 398 million (NOK 428 million) and Cruise NOK 620 million (NOK 622 million). Within Other investments NHST Media Group had operating revenues of NOK 309 million (NOK 316 million).

EBITDA was NOK 572 million (NOK 1 343 million). Offshore drilling achieved EBITDA of NOK 201 million (NOK 993 million), Renewable energy NOK 137 million (NOK 120 million), Shipping/Offshore wind NOK 102 million (NOK 112 million), while Cruise achieved EBITDA of NOK 159 million (NOK 170 million). Within Other investments EBITDA were NOK - 27 million (NOK - 52 million).

Depreciation in the quarter was NOK 652 million (NOK 802 million). Impairment was NOK 16 million (NOK 802 million).

EBIT was NOK - 96 million (NOK 38 million).

Net financial items in the quarter were NOK - 208 million (NOK - 230 million). Net interest expenses were NOK 125 million (NOK 171 million) and net currency loss amounted to NOK - 102 million (NOK - 88 million). Net unrealized gain related to fair value adjustment of financial instruments were NOK 36 million (gain of NOK 52 million). Other financial items amounted to NOK - 15 million (NOK - 26 million).



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Net result in the quarter was NOK - 338 million (NOK - 251 million), of which NOK - 164 million are attributable to the shareholders of the parent company (NOK - 114 million). The non-controlling interests' share of net result in the quarter was thus NOK - 175 million (NOK - 136 million).

Revenues year to date were NOK 6 570 million (NOK 9 785 million) while EBITDA year to date were NOK 1 957 million (NOK 4 007 million). Operating result (EBIT) year to date was NOK - 740 million (NOK - 386 million). Net financial items were NOK - 391 million (NOK - 396 million), and net result after estimated tax was NOK - 1 298 million (NOK - 1 052 million), of which NOK - 594 million (NOK - 510 million) are attributable to the shareholders of the parent company.

Business segments

The Group's results for the individual business segments are presented in Note 4. In the following, it is referred to the Group's consolidated business segments presented on 100% basis.

Offshore drilling

The segment consists of 51.9% ownership of Fred. Olsen Energy ASA with subsidiaries (FOE). Figures in the first table below are presented in NOK as consolidated into the Group accounts.

(Figures in NOK million)	3Q 17	2Q 17	3Q 16	Per 3Q 17	Per 3Q 16
Operating revenues	607	466	1 778	1 904	5 622
EBITDA	201	240	993	786	3 376
EBITDA margin	33 %	52 %	56 %	41 %	60 %
EBIT	-237	-879	-98	-1 235	-348
EBT	-363	-984	-241	-1 521	-799
Net result after tax	-367	-1 046	-277	-1 635	-942
Capex	17	16	9	42	62
Equity				5 264	6 872
Gross interest bearing debt				7 014	8 679
- Cash and cash equivalents				3 602	3 148
= Net interest bearing debt (NIBD)				3 412	5 531
Capital employed (Equity + NIBD)				8 676	12 403
Net Cash from operating activities				1 418	3 961
Net Cash from investing activities				14	-162
Net Cash from financing activities				-108	-2 304
Net change in cash and cash equivalents				1 324	1 495



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Below is an extract from FOE's report for 3 quarter 2017 (figures in USD unless otherwise stated).

(Figures in USD million)	3Q 17	2Q 17	3Q 16	Per 3Q 17	Per 3Q 16	2016
Operating revenues	76	55	214	230	668	825
EBITDA	25	28	119	95	401	498
EBIT	-30	-104	-12	-147	-44	-23
EBT	-45	-116	-30	-182	-98	-79
Net result	-46	-123	-34	-195	-115	-105

Note that FOE shows 2 quarter 2017 in brackets when comparing the quarterly results, while Bonheur ASA compares the quarterly results with the corresponding quarter last year.

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

“FINANCIAL INFORMATION (2nd quarter 2017 in brackets)

Operating revenues in the quarter were 76.3 million (54.9 million), an increase of 21.4 million compared with the previous quarter. Revenues from the offshore drilling division were 71.1 million (51.6 million), an increase of 19.5 million. The increase in revenues within the offshore drilling division is mainly due to full operational quarter for Bideford and the settlement of 14 million related to Bredford Dolphin including 1.6 million booked as interest income.

Operating costs were 51.0 million (26.4 million), an increase of 24.6 million compared with previous quarter. Operating costs within the offshore drilling division increased by 21.3 million, mainly due to a reduced pension liability, which was booked last quarter as a reduction in cost. Operating costs within the engineering and fabrication division increased with 2.8 million to 8.2 million.

Operating profit before depreciation (EBITDA) was 25.3 million (28.5 million). EBITDA within the offshore drilling division decreased by 1.8 million to 28.3 million, and EBITDA within engineering and fabrication division was - 3.0 million (- 1.6 million).

Depreciation and impairment amounted to 55.0 million (132.1 million).

Operating profit after depreciation and impairment (EBIT) was - 29.7 million (- 103.6 million).

Net financial items were - 15.5 million (- 12.2 million).

Profit before tax was - 45.2 million (- 115.8 million).

Net profit, including an estimated tax charge of 0.5 million (7.4 million), was - 45.7 million (- 123.2 million).

Earnings per share were - 0.69 (-1.86).

Net interest bearing debt amounts to 428 million (524 million), reduced by 96 million in the quarter.”



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Renewable energy

Renewable energy consists of 100% ownership of Fred. Olsen Renewables AS (FORAS), which through subsidiaries (together as a group: FOR) owns nine wind farms in operation. Seven wind farms are located in Scotland, of which six windfarms (Crystal Rig, Crystal Rig II, Rothes, Rothes II, Paul's Hill and Mid Hill) are owned by Fred. Olsen Wind Limited (FOWL), a company which is 51% owned by FORAS. The remaining 49% of FOWL is owned by the UK listed infrastructure fund The Renewables Infrastructure Group Limited (TRIG). Three wind farms are owned 100%, one in Scotland (Crystal Rig III), one in Norway (Lista) and one in Sweden (Fäbodliden). FOR has per 30 September 2017 an installed capacity of 595.9 MW in production, of which 433 is owned by FOWL. Construction work for Brochloch Rig Windfarm (formerly Windy Standard II) (61.5 MW) is ongoing and completion is scheduled in 4 quarter 2017. The windfarm commenced production in the quarter. Brochloch Rig will be owned 100% by FORAS.

In addition, FOR has a portfolio of development projects onshore in the UK, France, Norway and Sweden as well as offshore Ireland and the United States (Lake Erie).

(Figures in NOK million)	3Q 17	3Q 16	Per 3Q 17	Per 3Q 16
Operating revenues	233	203	828	673
EBITDA	137	120	549	406
EBITDA margin	59 %	59 %	66 %	60 %
EBIT	30	14	223	63
EBT	7	-32	148	55
Net result after tax	1	-48	127	-7
Capex	66	192	160	339
Equity			2 094	3 427
Gross interest bearing debt			3 843	4 443
- Cash and cash equivalents *)			983	3 141
= Net interest bearing debt (NIBD)			2 860	1 302
Capital employed (Equity + NIBD)			4 955	4 728
Net Cash from operating activities			400	451
Net Cash from investing activities			-164	-406
Net Cash from financing activities			-2 075	-390
Net change in cash and cash equivalents			-1 838	-346

*) Dividend of NOK 1 630 million distributed to Bonheur ASA in 2Q17

Notes on 3Q 17:

Companies 100% owned contributed NOK 48 million to consolidated revenues, NOK 21 million to EBITDA and NOK -13 million to EBT.

Companies 100% owned had NOK 2 023 million in equity, NOK 0 million in gross interest bearing debt, NOK 515 million in cash and cash equivalents.,

Companies with less than 100% ownership includes Fred. Olsen Wind Limited (51%), Gismarvik Vindkraft AS (60%), FORSCA AB (60%) and Codling Holding Limited (50%) and Global Wind Power France APS (51%) (Equity method).



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Installed capacity (MW) and achieved generation (MWh) for the quarter and the same period last year, are presented in the tables below.

Generation (MWh)	As at 3Q				Capacity (MW)	As at 3Q	
	3Q17	3Q 16	2017	2016		2017	2016
UK (FOWL)	205 474	218 218	770 828	682 499	UK (FOWL)	432.8	432.8
UK (Other)	26 384	0	49 920	-2	UK (Other)	13.8 *)	0
Scandinavia	88 006	85 302	330 412	289 448	Scandinavia	149.3	149.3
Total	319 864	303 520	1 151 160	971 945	Total	595.9	582.1

*) Exclusive capacity of Brochloch Rig Windfarm

Operating revenues in the quarter were NOK 233 million (NOK 203 million). EBITDA was NOK 137 million (NOK 120 million). Revenue and EBITDA were higher than last year due to higher generation, higher electricity prices and other income (NOK 31 million). Other income relates to compensation for curtailments and triad incomes. Brochloch Rig commenced production in the quarter and CR III was not in production in 3Q16. The positive effects were partly offset by the NOK/GBP exchange rate, which was 5% lower in the quarter. Installed capacity was 595.9 MW (582.1 MW), an increase by 13.8 MW as Crystal Rig III commenced production in 4 quarter 2016. Generation was 320 GWh (304 GWh). Total generation in the quarter increased 5%, while like for like generation decreased with 3%, but is relative stable adjusted for curtailments. The quarter is characterized by lower wind speeds than average.

For the first nine months, FOR had operating revenues of NOK 828 million (NOK 673 million). EBITDA was NOK 549 million (NOK 406 million). The generation increased from 972 GWh in the first nine months of 2016 to 1 151 GWh in the first nine months of 2017. Like-for like generation increased 14%, while total generation increased 18%.

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 & Installation, as well as Operation & Maintenance services for the offshore wind industry and Universal Foundation Norway AS. Both companies are 100% owned by Fred. Olsen Ocean Ltd. Fred. Olsen Windcarrier AS owns Fred. Olsen Windcarrier A/S Denmark, which operates a fleet of crew transfer vessels and 75.5 % of Global Wind Service A/S (GWS), an international supplier of personnel to the global wind turbine industry. Universal Foundation Norway AS owns Universal Foundation A/S 100%, a Danish company offering offshore wind turbine foundations.



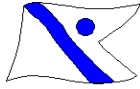
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(Figures in NOK million)	3Q 17	3Q 16	Per 3Q 17	Per 3Q 16
Operating revenues	398	428	1 163	811
EBITDA	102	112	338	20
EBITDA margin	26 %	26 %	29 %	2 %
EBIT	63	74	223	-92
EBT	50	49	202	-155
Net result after tax	32	45	187	-216
Capex	18	42	36	168
Equity	1 362	1 246	1 362	1 246
Gross interest bearing debt *)			1 469	1 544
- Cash and cash equivalents			249	306
= Net interest bearing debt (NIBD)			1 220	1 238
Capital employed (Equity + NIBD)			2 582	2 484
Net Cash from operating activities			159	-65
Net Cash from investing activities			-31	-168
Net Cash from financing activities			-129	247
Net change in cash and cash equivalents			0	14
*) Hereof internal debt to Bonheur ASA			635	616

Operating revenue in 3Q17 was NOK 398 million compared with NOK 428 million in 3Q16. Revenue from the jack-up installation vessels "Brave Tern" and "Bold Tern" was lower than the same quarter last year due to reduced average day rate. The vessels have been working for Adwen and Siemens during the quarter and the utilization rate was 73% (3Q16: 63%). The lower revenues from the installation vessels has partly been offset by 13% revenue growth versus 3Q16 within GWS, following extension of several projects and full resource utilization through 3Q17.

EBITDA for the quarter decreased from NOK 112 million in 3Q16 to NOK 102 million in 3Q17. The reduction in EBITDA compared to 3Q16 is mainly due to the reduced average day rate for the jack-up vessels, while GWS has performed stronger in 3Q17 compared to 3Q16.

Operating revenue year to date 2017 was NOK 1 163 million compared with NOK 811 million for the three first quarters in 2016. The utilization rate for "Brave Tern" and "Bold Tern" YTD was 91% (46%). EBITDA increased from NOK 20 million for the first nine months in 2016 compared to NOK 338 million in 2017. The improvement in EBITDA compared to last year is mainly due to the higher utilization for the jack-up vessels, improved performance in GWS and a one off legal cost in 1Q16.



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Cruise

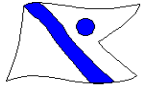
Cruise consists of 100% ownership of Fred. Olsen Cruise Lines Ltd, with subsidiaries (FOCL), located in the UK.

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

(Figures in NOK million)	3Q 17	3Q 16	Per 3Q 17	Per 3Q 16
Operating revenues	620	622	1 673	1 669
EBITDA	159	170	317	302
EBITDA margin	26 %	27 %	19 %	18 %
EBIT	106	116	145	132
EBT	95	127	95	190
Net result after tax	95	127	95	190
Capex	7	10	28	14
Equity	1 260	1 162	1 260	1 162
Gross interest bearing debt			0	0
- Cash and cash equivalents			807	592
= Net interest bearing debt (NIBD)			-807	-592
Capital employed (Equity + NIBD)			453	570
Net Cash from operating activities			287	373
Net Cash from investing activities			-29	-13
Net Cash from financing activities			0	0
Net change in cash and cash equivalents			258	360

Operating revenues in the quarter were NOK 620 million (NOK 622 million). Operating result before depreciation and finance (EBITDA) was NOK 159 million (NOK 170 million). The NOK figures are impacted by a 5% decline in the NOK/GBP rates compared to the same quarter last year.

During the quarter, **Black Watch** completed cruises to Norway/Iceland, Scotland, a Scandinavia cruise, a European mini cruise and a German river cruise. **Boudicca** has completed Scotland cruises, cruises to Norway/ Greenland, European/ Mediterranean cruises, and a 16 night cruise to Canada. **Braemar** has completed Scandinavia/ Baltic cruises, Norway cruises, European river cruises, a Scotland cruise, a 3 night cruise to France, and a 28 night Mediterranean cruise. **Balmoral** has completed Scandinavia/ Baltic cruises, a Mediterranean cruise, Norway/ Iceland cruises, a UK cruise and a European river cruise.



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The number of passenger days totaled 284 823 for the quarter (306 961), a decline of 7%. Net ticket income per diem (GBP) was 14% higher, compared to the corresponding quarter last year. Revenues (GBP) increased 4.5% in Q3 2017 versus Q3 2016.

Other investments

Other investments mainly consists 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

NHST Media Group AS have four main business segments, Norwegian publications (Dagens Næringsliv and Morgenbladet), MyNewsdesk, including Intermedium, Global Publications (Tradewinds, Upstream, Intrafish, Fiskeribladet, Recharge and Europower), and Nautical Charts.

NHST Media Group AS achieved a turnover of NOK 309 million in the quarter (NOK 316 million) The decline of 7% is mainly due to currency effects and continued fall in advertising income (23% lower than the comparable quarter in 2016). MyNewsdesk continued its growth in revenues in the quarter (up by NOK 8 mill.). Overall subscription income increased by 8% compared to the previous quarter and is now representing 64% of the total income for the group.

The result before depreciation (EBITDA) for the quarter was NOK 19 million (NOK 21 mill. in 3Q 2016).

Revenues for the first three quarters of 2017 was NOK 965 million (NOK 989 million) and EBITDA NOK 67 million (NOK 48 million). The improvement in EBITDA is mainly due to revenue growth in subscription income (e.g. MyNewsdesk).

Koksa Eiendom AS

The Company holds 12.6% of the shares in Koksa Eiendom AS (Koksa). The remaining properties owned by Koksa were sold in 2016. Ordinary dividend for 2016 together with extraordinary dividend of NOK 184 million, received in 2017.

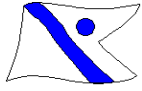
Other information

Capital and financing

In 3Q 2017 capex were NOK 109 million, mainly related to NOK 17 million within Offshore drilling, NOK 66 million within Renewable energy for the project Brochloch Rig Windfarm (formerly named Windy Standard II), NOK 18 million within Shipping/Offshore wind and NOK 7 million within Cruise.

Gross interest bearing debt of the Group as per end of 3Q 2017 was NOK 14 034 million, a decrease of NOK 1 063 million since year end 2016. Cash and cash equivalents amounted to NOK 8 351 million, an increase of NOK 1 123 million since year end 2016. Net interest bearing debt (Gross interest bearing debt less Cash and cash equivalents (NIBD)) of the Group as at 30 Sep 2017 was NOK 5 683 million, a decrease of NOK 2 187 million since year end 2016. As per 30 September 2017, the equity to asset ratio was 38% compared with 40% at year-end 2016.

The debt attributable to Renewable energy fully relates to project financing within the corporate structure of its 51% owned subsidiary FOWL.



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

(NOK million)	Offshore Drilling	Renewable Energy	Shipping / Offshore wind	Cruise	Other/Elim	30.09.2017 Total	30.06.2017 Total
Gross interest bearing liabilities	7 014	3 843	1 469	0	1 708	14 034	14 772
Cash and cash equivalents	3 602	983	249	807	2 711	8 351	8 136
Net interest bearing liabilities *)	3 412	2 860	1 220	-807	-1 003	5 683	6 636
Equity	5 264	2 094	1 362	1 260	1 317	11 298	12 000
Capital employed	8 676	4 955	2 582	453	314	16 981	18 636

*) Intercompany loans included



BONHEUR ASA

Condensed consolidated financial statements in accordance with IFRS

Income statement - Group

(NOK million) - unaudited

	Note	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Revenues	4	2 180.4	3 345.5	6 569.6	9 785.2	12 414.5
Operating costs		-1 608.0	-2 003.0	-4 612.7	-5 778.1	-7 342.6
Operating result before depreciation / impairment losses (EBITDA)	4	572.4	1 342.5	1 956.9	4 007.1	5 071.9
Depreciation / Impairment losses	2	-668.0	-1 304.7	-2 697.0	-4 393.4	-5 366.3
Operating result (EBIT)	4	-95.6	37.8	-740.1	-386.3	-294.4
Share of result from associates		-4.0	-2.5	-10.8	-4.9	17.0
Result before finance		-99.5	35.2	-750.9	-391.2	-277.4
Financial income		91.4	132.7	379.2	965.8	1 128.3
Financial expenses		-299.4	-362.8	-770.7	-1 361.9	-1 538.2
Net financial income / expense (-)		-208.1	-230.1	-391.4	-396.0	-409.8
Result before tax (EBT)		-307.6	-194.9	-1 142.4	-787.2	-687.2
Estimated tax cost	6	-30.6	-55.9	-156.0	-265.1	-316.9
Net result	4	-338.2	-250.8	-1 298.3	-1 052.3	-1 004.1
Hereof attributable to non-controlling interests 1)		-174.6	-136.4	-704.6	-542.6	-514.5
Hereof attributable to shareholders of the parent company		-163.6	-114.4	-593.7	-509.7	-489.6
Basic earnings / Diluted earnings per share (NOK)		-3.8	-2.7	-14.0	-12.2	-11.7

1) The non-controlling interests mainly consist of 47.74% of Fred. Olsen Energy ASA, 44.06% of NHST Media Group AS and 49.00% of Fred. Olsen Wind Limited (UK).



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Statement of comprehensive income - Group

(NOK million) - unaudited

	Jul-Sep 2017	Jul-Sep 2016	Jan-Sep 2017	Jan-Sep 2016
Net result for the period	-338.2	-250.8	-1 298.3	-1 052.3
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	-15.6
Other comprehensive result for the period	-2.4	-0.2	-5.2	5.9
Total items that will not be reclassified to profit or loss	-2.4	-0.2	-5.2	-9.7
Items that may be reclassified subsequently to profit or loss				
Foreign exchange translation effects:				
- Foreign currency translation differences for foreign operations	-350.1	-501.7	-409.4	-1 579.5
Hedging effects:				
- Effective portion of changes in fair value of interest hedges	0.0	0.0	0.0	0.6
- Effective portion of changes in fair value of interest hedges transferred to profit or loss	0.0	0.0	0.0	-0.6
Fair value effects related to financial instruments:				
- Net change in fair value of available-for-sale financial assets	-11.6	-13.7	-17.2	-69.1
- Net change in fair value of available-for-sale financial assets transferred to profit or loss	0.0	0.0	0.0	-16.7
Income tax on other comprehensive income	-0.1	-0.1	-0.1	-0.5
Total items that may be reclassified subsequently to profit or loss	-361.8	-515.5	-426.7	-1 665.7
Other comprehensive result for the period, net of income tax	-364.2	-515.8	-431.9	-1 675.4
Total comprehensive loss for the period	-702.4	-766.5	-1 730.2	-2 727.7
Attributable to:				
Equity holders of the parent	-395.4	-505.7	-847.5	-1 867.6
Non-controlling interests 1)	-307.0	-260.8	-882.8	-860.2
Total comprehensive income for the period	-702.4	-766.5	-1 730.2	-2 727.7

1) As at 30 September 2017 the non-controlling interests consist of 47.74% of Fred. Olsen Energy ASA, 44.06% of NHST Media Group AS and 49.00% of Fred. Olsen Wind Limited (UK).



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Statement of financial position - Group

<i>(NOK million) - unaudited</i>	Note	30.09.2017	30.09.2016	31.12.2016
Intangible fixed assets	3	905.7	924.2	922.8
Deferred tax asset	2	289.1	351.4	362.0
Property, plant and equipment		17 222.1	19 685.7	20 264.2
Investments in associates		66.5	52.5	76.1
Other financial fixed assets		395.6	603.7	534.8
Non-current assets		18 879.1	21 617.5	22 160.0
Inventories and consumable spare parts		1 028.6	1 027.3	1 090.7
Trade and other receivables		1 565.3	2 149.6	2 041.9
Cash and cash equivalents		8 351.3	8 098.4	7 228.0
Current assets		10 945.2	11 275.2	10 360.7
Total assets		29 824.3	32 892.8	32 520.6
Share capital		53.2	53.2	53.2
Share premium reserve		143.3	143.3	143.3
Retained earnings		8 332.5	9 003.1	9 265.1
Equity owned by the shareholders in the parent company		8 529.0	9 199.5	9 461.5
Non-controlling interests 1)		2 768.9	3 432.6	3 653.3
Equity		11 297.8	12 632.1	13 114.8
Non-current interest bearing liabilities	5	11 828.3	13 924.5	13 955.5
Other non-current liabilities	6	1 618.8	1 735.4	1 896.6
Non-current liabilities		13 447.0	15 659.9	15 852.1
Current interest bearing liabilities	5	2 205.7	2 294.8	1 141.8
Other current liabilities	6	2 873.6	2 306.0	2 411.9
Current liabilities		5 079.4	4 600.8	3 553.7
Total equity and liabilities		29 824.3	32 892.8	32 520.6

Oslo, 26 October 2017

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, 44.06% of NHST Media Group AS and 49.00% of Fred. Olsen Wind Limited (UK).



BONHEUR ASA

Statement of changes in equity - Group

(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 2016	51.0	25.9	2 110.0	-0.6	151.6	-113.3	6 876.2	9 100.8	6 344.2	15 444.9
Total comprehensive loss for the period	0.0	0.0	-1 257.7	0.6	-86.3	0.0	-524.3	-1 867.6	-860.2	-2 727.7
Dividends to shareholders in parent company	0.0	0.0	0.0	0.0	0.0	0.0	-85.1	-85.1	0.0	-85.1
Effects from merger with Ganger Rolf ASA	2.2	117.4	0.0	0.0	0.0	113.3	1 818.6	2 051.4	-2 051.4	0.0
Balance at 30 September 2016	53.2	143.3	852.3	0.0	65.3	0.0	8 085.4	9 199.5	3 432.6	12 632.1
Balance at 1 January 2017	53.2	143.3	1 167.6	0.0	43.0	0.0	8 054.4	9 461.5	3 653.3	13 114.8
Total comprehensive loss for the period	0.0	0.0	-190.0	0.0	-17.2	0.0	-640.3	-847.5	-882.8	-1 730.2
Dividends to shareholders in parent company	0.0	0.0	0.0	0.0	0.0	0.0	-85.1	-85.1	0.0	-85.1
Dividends to non-controlling interests in subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.6	-1.6
Balance at 30 September 2017	53.2	143.3	977.7	0.0	25.8	0.0	7 329.0	8 529.0	2 768.9	11 297.8

Share capital and share premium

Par value per share	NOK 1.25
Number of shares issued	42 531 893

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 2017 the non-controlling interests mainly consist of 47.74% of Fred. Olsen Energy ASA, 44.06% of NHST Media Group AS and 49.00% of Fred. Olsen Wind Limited (UK).

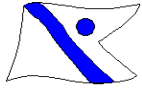
1) Own shares were the Bonheur shares that were owned by Ganger Rolf as at 1 January 2016.



BONHEUR ASA

Consolidated statement of cash flow – Group

<i>(NOK million) - unaudited</i>	Jun-Sep 2017	Jan-Sep 2017	Jan-Sep 2016
Cash flow from operating activities			
Net result	-338.2	-1 298.3	-1 052.3
<i>Adjustments for:</i>			
Depreciation, impairment losses	668.0	2 697.0	4 393.4
Net of investment income, interest expenses and net unrealized foreign exchange gains	375.0	325.8	591.8
Share of result from associates	4.0	10.8	4.9
Net gain (-) / loss on sale of property, plant and equipment and other investments	-22.2	-23.7	-95.8
Tax expense	30.6	156.0	265.1
Cash generated before changes in working capital and provisions	717.2	1 867.6	4 107.1
Increase (-) / decrease in trade and other receivables	-102.3	551.5	1 666.8
Increase / decrease (-) in current liabilities	359.6	362.6	-486.9
Cash generated from operations	974.4	2 781.7	5 287.0
Interest paid	-167.9	-482.0	-577.6
Tax paid	-14.8	-130.8	-155.7
Net cash from operating activities	791.7	2 169.0	4 553.7
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment and other investments	58.8	126.9	266.0
Interest and dividends received	26.7	150.2	81.3
Acquisitions of property, plant and equipment and changes in other investments	-140.6	-328.3	-951.6
Net cash from investing activities	-55.1	-51.3	-604.3
Cash flow from financing activities			
Net proceed from issue of shares in subsidiaries	0.0	7.6	0.0
Increase in borrowings	0.7	499.6	1 643.9
Repayment of borrowings	-337.6	-1 214.4	-4 548.7
Dividends paid	0.0	-86.7	-85.1
Net cash from financing activities	-336.9	-793.9	-2 989.9
Net increase in cash and cash equivalents	399.7	1 323.8	959.5
Cash and cash equivalents beginning of period	8 136.1	7 228.0	8 340.3
Effect of exchange rate fluctuations on cash held	-184.6	-200.6	-1 201.4
Cash and cash equivalents at 30 September	8 351.3	8 351.3	8 098.4



BONHEUR ASA

Notes

Note 1 – Basis of presentation

Introduction

The Group accounts for the third quarter 2017 comprise Bonheur ASA and its subsidiaries (“the Group”) and the shares in associates. The quarterly accounts of 2017 and the Group accounts for 2016 may be obtained by contacting Fred. Olsen & Co., Oslo, or at www.bonheur.no.

Financial framework and accounting principles

The interim accounts have been prepared in accordance with IAS 34 as adopted by EU and the additional requirements in the Norwegian Securities and Trading Act. The accounts do not include all information required for annual accounts and should be read in conjunction with the Group’s annual accounts for 2016 and the previous interim reports issued in 2017. The interim financial report for the third quarter 2017 was approved by the Company’s board on 26 October 2017.

The accounting principles applied by the Group in these condensed interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2016.

The IASB has issued three new standards that are expected to impact the financial reporting of the group in the future. The group has an ongoing implementation project analyzing IFRS 9 Financial Instruments, IFRS 15 Revenue from Contracts with Customers and IFRS 16 Leases. The project is not finalized and the assessment below may change as the project progresses.

IFRS 15 – Revenue from Contracts with Customers

The Group has reviewed contracts in all business areas. Except for a possible effect on delayed recognition of revenue from contracts with customers in the Offshore / wind segment which might have an impact on quarterly and/or annual reporting, no significant impact of IFRS 15 for the Group is expected when the standard is implemented. The preliminary conclusion is that all entities in the Group will report under IFRS 15 from 1 January 2018 without changing comparatives (the modified retrospective approach).

IFRS 16 – Leases

The Group has compiled leasing contracts in all business areas to be able to estimate the effect for the contracts where Group entities act as a lessee. For contracts where entities act as a lessor, and in addition provide services, the Group continues to analyze potential effects of the interaction between IFRS 15 and IFRS 16. The implementation of IFRS 16 will have no impact on the underlying cash flow. Based on information gathered to date, and based on the assumptions taken, the group expects as of 30.9.2017 that it may capitalize Right of Use Assets in the range of MNOK 324 to MNOK 405 and correspondingly increase the leasing liability for the group. The effects identified are within NHST and the Offshore drilling segment.

The effect on EBITDA is expected to be an increase of approximately MNOK 11.

The preliminary conclusion is that all entities in the Group plan to transition to IFRS 16 on 1 January 2018 without changing comparatives (the modified retrospective approach).

IFRS 9 – Financial instruments

The Group expects no significant effect of the transition to IFRS 9. The preliminary conclusion is that all entities in the Group will report under IFRS 9 from 1 January 2018 without changing comparatives.



BONHEUR ASA

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.

As to the offshore drilling segment, there are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts. Estimating the fair value of the assets in the Offshore drilling segment is a complex process involving a number of key judgements and estimates regarding various inputs. Due to the nature of the assets, the valuation technique includes a discounted cash flow model that uses a number of inputs from internal sources due to lack of relevant and reliable observable independent and external inputs. As a result of the current market situation and because there is more than normal uncertainty concerning when new contracts will materialize and equally in relation to future dayrate levels, the calculation of fair value of the assets in the offshore drilling segment is exposed to high estimation uncertainty.

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

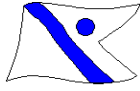
In 2015, indirect owned subsidiaries of Fred. Olsen Renewables AS, commenced construction of the wind farm Brockloch Rig (previous Windy Standard II) in Scotland. Brockloch Rig is expected to be completed in 4 quarter 2017.

(NOK million)	Rigs and drillships	Vessels	Windfarms	Other	Total
Cost					
Balance at 1 January 2017	33 244.5	7 293.7	7 223.8	1 322.1	49 084.0
Acquisitions	36.0	29.1	160.0	45.4	270.5
Disposals	-2 307.6	-8.5		-3.1	-2 319.2
Currency translation	-2 496.4	130.2	56.5	-4.0	-2 313.7
Balance at 30 September 2017	28 476.4	7 444.5	7 440.3	1 360.3	44 721.5
Depreciation					
Balance at 1 January 2017	21 721.1	3 794.1	2 427.9	876.6	28 819.8
Depreciation	1 371.1	271.4	325.2	62.3	2 030.1 *)
Impairment losses	634.5	0.0	0.0	0.0	634.5 *)
Disposals	-2 293.4	-6.2		-1.6	-2 301.1
Currency translation	-1 742.2	45.1	17.2	-3.9	-1 683.9
Balance at 30 September 2017	19 691.2	4 104.5	2 770.3	933.4	27 499.4
Carrying amounts					
At 1 January 2017	11 523.4	3 499.5	4 795.9	445.5	20 264.2
At 30 September 2017	8 785.2	3 340.0	4 670.0	426.9	17 222.1

*) In addition, depreciation and impairment of intangible assets, amount to NOK 32 million of which NOK 16 million is impairment.

Note 3 – Intangible assets – investments

As per 30 September 2017 the Group had intangible assets of NOK 906 million. NOK 553 million is the net book value of the intangible assets from NHST. In addition FOR has intangible assets of NOK 325 million, which is development costs related to wind farms. Such projects are evaluated regularly. Some development projects may not come through to fruition, in which case, previously capitalized costs will be impaired. FOO has intangible assets of NOK 26 million of which 24 million is goodwill.



BONHEUR ASA

Note 4 – Segment information

3.quarter	Offshore drilling		Renewable energy		Shipping/Offsh. wind		Cruise		Other investments		Total fully consolidated companies	
	3Q 17	3Q 16	3Q 17	3Q 16	3Q 17	3Q 16	3Q 17	3Q 16	3Q 17	3Q 16	3Q 17	3Q 16
Fully consolidated companies												
Revenues	607	1 778	233	203	398	428	620	622	323	314	2 180	3 346
Operating costs	-406	-785	-96	-83	-296	-316	-461	-453	-350	-366	-1 608	-2 003
Oper. result before depr. (EBITDA)	201	993	137	120	102	112	159	170	-27	-52	572	1 343
Depreciation / Write down	-438	-1 091	-107	-105	-39	-38	-53	-53	-31	-17	-668	-1 305
Operating result (EBIT)	-237	-98	30	14	63	74	106	116	-57	-69	-96	38
Net result (EAT)	-367	-277	1	-48	32	45	95	127	-98	-99	-338	-251

Per 3.quarter	Offshore drilling		Renewable energy		Shipping/Offsh. wind		Cruise		Other investments		Total fully consolidated companies	
	Jan-Sep17	Jan-Sep16	Jan-Sep17	Jan-Sep16	Jan-Sep17	Jan-Sep16	Jan-Sep17	Jan-Sep16	Jan-Sep17	Jan-Sep16	Jan-Sep17	Jan-Sep16
Fully consolidated companies												
Revenues	1 904	5 622	828	673	1 163	811	1 673	1 669	1 002	1 010	6 570	9 785
Operating costs	-1 118	-2 247	-279	-268	-826	-791	-1 356	-1 367	-1 035	-1 106	-4 613	-5 778
Oper. result before depr. (EBITDA)	786	3 376	549	406	338	20	317	302	-33	-96	1 957	4 007
Depreciation / Write down	-2 022	-3 724	-326	-342	-115	-112	-172	-170	-63	-45	-2 697	-4 393
Operating result (EBIT)	-1 235	-348	223	63	223	-92	145	132	-96	-142	-740	-386
Net result (EAT)	-1 635	-942	127	-7	187	-216	95	190	-72	-77	-1 298	-1 052
Total assets	13 934	17 010	6 644	8 467	3 116	3 100	2 176	1 939	3 954	2 377	29 824	32 893
Total liabilities	8 670	10 137	4 550	5 041	1 754	1 855	915	777	2 637	2 451	18 526	20 261

Companies fully consolidated in the accounts

Offshore Drilling

Fred. Olsen Energy ASA.

Renewable energy

Fred. Olsen Renewables AS, Global Windpower France Aps and Codling Holding.

Cruise

Fred Olsen Cruise Lines Ltd and First Olsen Holding AS.

Shipping / Offshore wind

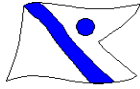
Fred. Olsen Ocean Ltd., Fred. Olsen Windcarrier AS and Universal Foundation Norway AS.

Other investments

NHST Media Group AS, Fred. Olsen Travel AS, Fred. Olsen Insurance Services AS, Fred. Olsen Fly- og Luftmateriell AS, Stavnes Byggeselskap AS, Fred. Olsen Cruise Lines Pte. Ltd., FO Capital Ltd, Bonheur og Ganger Rolf ANS, Bonheur ASA, Laksa AS, Laksa II AS and Fred. Olsen Spedisjon AS.

Revenue split

(NOK million)	3Q 17	3Q 16	Per 3Q 17	Per 3Q 16
Sales of electricity and other goods	92	80	350	262
Government grants	92	97	370	354
Lease revenue	201	1 112	962	3 532
Service revenue	1 467	2 008	4 331	5 423
Engineering and fabrication	219	27	270	101
Other operating revenue	109	22	287	113
Total revenues	2 180	3 346	6 570	9 785



BONHEUR ASA

Note 5 – Interest bearing loans

As per September 2017, FOE has repaid NOK 75 million of its bond loan FOE05 in first quarter 2017 and USD 3.9 million of the fleet facility in third quarter 2017.

A waiver request from FOE for temporarily waiving debt related covenants was approved by the syndicate banks in December 2016. As a consequence, two installments of USD 95.5 million for 2017 were prepaid in December 2016 and USD 105 million of the undrawn facility was cancelled. The remaining USD 105 million was temporarily suspended during the waiver period. Bondholders in FOE05 subsequently approved the waiver in January 2017.

FOR has secured bank loans of GBP 272 million, two shareholder loans of a total of GBP 68 million to The Renewables Infrastructure Group Limited, finance lease liabilities of GBP 16 million and other interest bearing loans of GBP 5 million as per 30 September 2017.

FOO has bank loans of equivalent to EUR 87 million outstanding as per 30 September 2017.

NHST has bank loans of NOK 50 million outstanding as per 30 September 2017.

In February 2012, Bonheur ASA issued NOK 300 million of 7 years bonds with maturity in 2019.

In July 2014, Bonheur ASA issued NOK 900 million senior unsecured bonds with maturity in 2019 and NOK 600 million senior unsecured bonds with maturity in 2021.

On 10 February 2017, Bonheur ASA repaid the remaining balance of NOK 480.5 million in its 5 years unsecured bond loan BON04 (original issue NOK 700 million) with final maturity in February 2017.

On 22 February 2017, Bonheur ASA summoned a bondholders' meetings in the Company's bond issues "BON03", "BON05" and "BON06" with a proposal to amend the change of control provision in the corresponding bond agreements. On 9 March 2017, the bondholders' meeting was held. The proposed resolutions were approved by a qualified majority in each of these bondholder meetings and thus duly approved.

On 12 May 2017, Bonheur ASA successfully completed a new senior unsecured bond issue of NOK 500 million with maturity in May 2022.

Note 6 – Taxes

There are two ongoing tax disputes between subsidiaries within the Group and the Norwegian tax authorities. For further information, please refer to Note 26 in the Annual Report for 2016.

Despite a negative EBT on consolidated level, the tax expense was NOK 30.6 million in the third quarter, giving an effective tax rate of negative 10%.

This situation was mainly caused by a local payable tax within the Offshore drilling segment operating outside the Ivory Coast, payable tax within the Renewable energy segment operating in UK, and payable tax within the Shipping /Offshore wind segment caused by PE-taxation in Germany. In addition, the Group had losses in entities where tax assets cannot be recognized in the Statement of financial position.



BONHEUR ASA

Note 7 – Bonheur ASA (Parent company – NGAAP)

(NOK million) - unaudited

CONDENSED INCOME STATEMENT (NGAAP)

	Jan-Sep 2017	Jan-Sep 2016	Jan-Dec 2016
Revenues	0.1	0.1	0.2
Operating costs	-96.9	-100.5	-137.6
Operating result before depreciation (EBITDA)	-96.8	-100.3	-137.5
Depreciation	-2.6	-2.4	-3.0
Operating result (EBIT)	-99.4	-102.7	-140.4
Financial revenues	1 772.3	171.9	233.4
Financial costs	-109.3	-120.8	-215.6
Net financial items	1 663.0	51.2	17.8
Result before tax (EBT)	1 563.6	-51.5	-122.6
Tax expense	0.0	0.0	0.0
Net result after estimated tax	1 563.6	-51.5	-122.6

CONDENSED BALANCE SHEET (NGAAP)

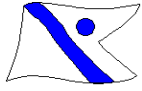
	30.09.2017	30.09.2016	31.12.2016
Property, plant and equipment	53.9	57.1	56.4
Investments in subsidiaries	7 995.1	8 221.8	7 995.1
Other financial fixed assets	937.0	1 303.0	1 067.2
Non-current assets	8 986.0	9 581.9	9 118.7
Trade and other receivables	9.3	14.6	4.1
Cash and cash equivalents	2 473.8	673.4	861.5
Current assets	2 483.0	688.0	865.6
Total assets	11 469.0	10 270.0	9 984.4
Share capital	53.2	53.2	53.2
Share premium	143.3	143.3	143.3
Retained earnings	5 982.6	4 605.0	4 419.0
Equity	6 179.0	4 801.5	4 615.4
Non-current interest bearing liabilities	2 292.6	1 990.8	1 793.0
Other non-current liabilities	366.6	328.7	357.0
Non-current liabilities	2 659.2	2 319.5	2 150.0
Current interest bearing liabilities	0.0	349.3	480.5
Other current liabilities	2 630.9	2 799.7	2 738.4
Current liabilities	2 630.9	3 149.0	3 218.9
Total equity and liabilities	11 469.0	10 270.0	9 984.4



BONHEUR ASA

CONDENSED STATEMENT OF CASHFLOW (NGAAP)

<i>(NOK million) - unaudited</i>	Jul-Sep 2017	Jan-sep 2017	Jan-sep 2016
Cash flow from operating activities			
Net result after tax	-85.5	1 563.6	-51.5
<i>Adjustments for:</i>			
Depreciation	0.7	2.6	2.4
Net of investment income, interest expenses and net unrealized foreign exchange gains	26.9	-1 653.1	51.3
Net gain on sale of property, plant and equipment and other investments	0.2	0.2	-78.0
Tax expense	0.0	0.0	0.0
Cash generated before changes in working capital and provisions	-57.6	-86.8	-75.9
Increase (-) / decrease in trade and other receivables	-0.7	-1.4	-11.5
Increase / decrease (-) in current liabilities	-1.0	-26.9	-7.9
Cash generated from operations	-59.3	-115.1	-95.3
Interest paid	-26.7	-77.0	-93.4
Tax paid	0.0	0.0	0.0
Net cash from operating activities	-86.0	-192.1	-188.7
Cash flow from investing activities			
Proceeds from sale of property, plant and equipment and other investments	20.0	84.0	233.8
Interest and dividends received	10.4	1 750.8	63.0
Acquisitions of property, plant and equipment and other investments	-29.0	35.6	-414.3
Net cash from investing activities	1.4	1 870.4	-117.5
Cash flow from financing activities			
Increase in borrowings	0.7	544.8	3.0
Repayment of borrowings	0.0	-525.8	-151.7
Dividends paid	0.0	-85.1	-85.1
Net cash from financing activities	0.7	-66.0	-233.7
Net increase in cash and cash equivalents	-83.9	1 612.3	-539.9
Cash and cash equivalents beginning of period	2 557.6	861.5	1 213.3
Cash and cash equivalents at 30 September	2 473.8	2 473.8	673.4



BONHEUR ASA

Definitions

List of Alternative Performance Measures (APM):

Bonheur ASA discloses alternative performance measures as a supplement to the financial statements prepared in accordance with IFRS.

In the quarterly report the following alternative performance measures are most frequently used. Below is a list followed by a definition of each APM.

General financial Alternative Performance Measures:

EBITDA:	Earnings before Depreciation, Impairment, Result from associates, Net financial expense and Tax.
EBIT:	Operating result after depreciation (EBITDA less depreciation and impairments)
EBT:	Earnings before tax
EBITDA margin:	The ratio of EBITDA divided by operating revenues
NIBD:	Net Interest Bearing Debt is the sum of non current interest bearing debt and current interest bearing debt, less the sum of cash and cash equivalents
Capital employed:	NIBD + Total equity
Equity ratio:	The ratio of total equity divided by total capital
The Company:	Bonheur ASA