



BONHEUR ASA

REPORT FOR

THE FOURTH QUARTER 2017 AND PRELIMINARY RESULT FOR 2017

Financial and operating highlights 4Q 2017 (4Q 2016 in brackets):

- Operating revenues were NOK 2 064 million (NOK 2 629 million)
- EBITDA (operating result before depreciation, impairment, result from associates, finance and tax) was NOK 484 million (NOK 1 065 million)
- Year on year EBITDA improvement of NOK 145 million, apart from Offshore drilling
- EBIT (operating result) was NOK - 205 million (NOK 92 million)
- Net finance was NOK - 106 million (NOK - 14 million).
- Net result after tax was NOK - 477 million (NOK 48 million)

Post quarter event:

- Proposed dividend for 2017: NOK 2.00 per share

Renewable energy

- EBITDA NOK 336 mill. (NOK 212 mill.)
- Total generation up 34%
- Like-for-like generation up 23%
- Brochloch Rig Windfarm in full production in 4Q17
- Recycling Fund Income of 37 mill.

Shipping / Offshore wind

- EBITDA NOK 32 mill. (NOK 35 mill.)
- Utilization for installation vessels 59% (64%).
- Contract pipeline to year end 2019 covered 39% by firm contracts

Offshore drilling

- EBITDA NOK 84 mill. (NOK 810 mill.)
- New contract for Blackford Dolphin
- Increased tender activity

Cruise

- EBITDA NOK 29 mill. (NOK 18 mill.)
- Net ticket income per diems up 22%
- Passenger days down 11%



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Financial information

The unaudited Group accounts for 4 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 Renewable energy, Shipping / Offshore wind, Offshore drilling, Cruise and Other investments.

| Financial key figures (million NOK) | 4Q 17 | 4Q 16 | 2017 | 2016 |
|---|------------|------------|------------|------------|
| Operating revenue | 2 064 | 2 629 | 8 633 | 12 415 |
| EBITDA | 484 | 1 065 | 2 441 | 5 072 |
| EBIT | -205 | 92 | -945 | -294 |
| Net result after tax | -477 | 48 | -1 775 | -1 004 |
| Hereof attributable to shareholders of the parent company | -269 | 20 | -863 | -490 |
| Total number of shares outstanding | | | 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 |
| Basic/diluted earnings per share | -6.3 | 0.5 | -20.3 | -11.7 |
| Gross interest bearing liabilities | | | 14 502 | 15 097 |
| Net interest bearing liabilities | | | 5 909 | 7 869 |
| Cash and cash equivalents | | | 8 593 | 7 228 |
| Capital expenditure | 384 | 418 | 654 | 1 009 |

The Group's operating revenues in the quarter amounted to NOK 2 064 million (NOK 2 629 million). Renewable energy had operating revenues of NOK 467 million (NOK 306 million), Shipping / Offshore wind NOK 364 million (NOK 264 million), Offshore drilling NOK 404 million (NOK 1 310 million) and Cruise NOK 476 million (NOK 401 million). Within Other investments NHST Media Group had operating revenues of NOK 349 million (NOK 337 million).

EBITDA in the quarter was NOK 484 million (NOK 1 065 million). All segments had positive EBITDA in the quarter. Renewable energy achieved EBITDA of NOK 336 million (NOK 212 million), Shipping/Offshore wind NOK 32 million (NOK 35 million), Offshore drilling NOK 84 million (NOK 810 million), while Cruise achieved EBITDA of NOK 29 million (NOK 18 million). Within Other investments EBITDA were NOK 2 million (NOK - 10 million).

Depreciation in the quarter was NOK 673 million (NOK 760 million). Impairment was NOK 16 million (NOK 213 million).

EBIT was NOK - 205 million (NOK 92 million).

Net financial items in the quarter were NOK -106 million (NOK - 14 million). Net interest expenses were NOK 136 million (NOK 131 million) and net currency gain amounted to NOK 50 million (NOK 73 million). Net unrealized gain related to fair value adjustment of financial instruments were NOK 12 million (NOK 62 million). Other financial items amounted to NOK - 25 million (NOK - 51 million).



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Net result in the quarter was NOK - 477 million (NOK 48 million), of which NOK - 269 million are attributable to the shareholders of the parent company (NOK 20 million). The non-controlling interests' share of net result in the quarter was thus NOK - 208 million (NOK 28 million).

Revenues year to date were NOK 8 633 million (NOK 12 415 million) while EBITDA year to date were NOK 2 441 million (NOK 5 072 million). Operating result (EBIT) year to date was NOK - 945 million (NOK - 294 million). Net financial items were NOK - 497 million (NOK - 410 million), and net result after estimated tax was NOK - 1 775 million (NOK - 1 004 million), of which NOK - 863 million (NOK - 490 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.

Renewable energy

Renewable energy consists of 100% ownership of Fred. Olsen Renewables AS (FORAS), which through subsidiaries (together as a group: FOR) owns eleven wind farms in operation. Nine wind farms are located in Scotland, of which six wind farms (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). Five wind farms are owned 100%, three in Scotland (Crystal Rig III, Brochloch Rig and Brochloch Rig I), one in Norway (Lista) and one in Sweden (Fåbodliden). FOR has per 31 December 2017 an installed capacity of 679 MW in production, of which 433 is owned by FOWL. Construction work for Brochloch Rig Windfarm (formerly Windy Standard II) (61.5 MW) was completed in 4 quarter 2017. Late December FOR exercised an option to acquire 100% of the assets of the Windy Standard 1 windfarm for a nominal sum. The option became exercisable 20 years after the operational start of the windfarm. The wind farm is now operating under the name of Brockloch Rig 1. The windfarm has an installed capacity of 21.6 MW and comprises 36 turbines each of 600kW capacity and will receive ROC income until the closing of the ROC scheme on 31 March 2027. The wind farm has consent till 2021 and an extension has been applied for. 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).

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

| Generation (MWh) | 4Q17 | 4Q 16 | 2017 | 2016 | Capacity (MW) | 2017 | 2016 |
|------------------|---------|---------|-----------|-----------|---------------|----------|-------|
| UK (FOWL) | 385 959 | 273 019 | 1 156 787 | 955 518 | UK (FOWL) | 432.8 | 432.8 |
| UK (Other *) | 51 820 | 3 339 | 101 740 | 3 337 | UK (Other) | 96.9 **) | 0 |
| Scandinavia | 136 197 | 151 725 | 466 609 | 441 173 | Scandinavia | 149.3 | 149.3 |
| Total | 573 976 | 428 083 | 1 725 136 | 1 400 028 | Total | 679.0 | 582.1 |

*) Exclusive generation from Brochloch Rig I

**) Inclusive capacity of Brochloch Rig I



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| (Figures in NOK million) | 4Q 17 | 4Q 16 | 2017 | 2016 |
|---|-------|-------|--------|-------|
| Operating revenues | 467 | 306 | 1 295 | 979 |
| EBITDA | 336 | 212 | 885 | 618 |
| EBITDA margin | 72 % | 69 % | 68 % | 63 % |
| EBIT | 235 | 87 | 458 | 150 |
| EBT | 179 | 120 | 327 | 175 |
| Net result after tax | 113 | 122 | 240 | 115 |
| Capex | 105 | 247 | 265 | 587 |
| Equity | | | 2 259 | 3 568 |
| Gross interest bearing debt | | | 3 945 | 4 253 |
| - Cash and cash equivalents *) | | | 1 167 | 2 814 |
| = Net interest bearing debt (NIBD) | | | 2 777 | 1 439 |
| Capital employed (Equity + NIBD) | | | 5 036 | 5 008 |
| Net Cash from operating activities | | | 684 | 587 |
| Net Cash from investing activities | | | -234 | -658 |
| Net Cash from financing activities | | | -2 144 | -661 |
| Net change in cash and cash equivalents | | | -1 693 | -731 |

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

Notes on 4Q 17:

Companies 100% owned contributed NOK 89 million to consolidated revenues, NOK 48 million to EBITDA and NOK 15 million to EBT.

Companies 100% owned had NOK 2 096 million in equity, NOK 0 million in gross interest bearing debt, NOK 511 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).

Operating revenues in the quarter were NOK 467 million (NOK 306 million). EBITDA was NOK 336 million (NOK 212 million). Despite lower electricity prices in the quarter, revenue and EBITDA were higher than last year due to higher generation and recycling fund income of NOK 37 million. NOK/GBP were 4% higher in the quarter compared to same quarter last year. Generation was 574 GWh (428 GWh). Total generation in the quarter increased 34%, while like for like generation increased with 23%,

In 2017, FOR had operating revenues of NOK 1 295 million (NOK 979 million). EBITDA was NOK 885 million (NOK 618 million). The generation increased from 1 400 GWh in 2016 to 1 725 GWh in 2017. Like-for like generation increased 19%, while total generation increased 23%.



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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, offering offshore wind turbine foundations. 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 (CTVs) 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.

Fred. Olsen Windcarrier AS and Northern Offshore Services (N-O-S) have in January 2018 signed a co-operation agreement. Fred. Olsen Windcarrier's fleet of CTVs will be integrated into N-O-S's existing management and organisation. The agreement is effective with immediate effect for commercial management.

| (Figures in NOK million) | 4Q 17 | 4Q 16 | 2017 | 2016 |
|---|-------|-------|-------|-------|
| Operating revenues | 364 | 264 | 1 528 | 1 075 |
| EBITDA | 32 | 35 | 370 | 55 |
| EBITDA margin | 9 % | 13 % | 24 % | 5 % |
| EBIT | -14 | -106 | 209 | -198 |
| EBT | -13 | -147 | 189 | -302 |
| Net result after tax | -56 | -124 | 132 | -340 |
| Capex | 48 | 21 | 84 | 185 |
| Equity | 1 371 | 1 161 | 1 371 | 1 161 |
| Gross interest bearing debt *) | | | 1 530 | 1 559 |
| - Cash and cash equivalents | | | 242 | 240 |
| = Net interest bearing debt (NIBD) | | | 1 288 | 1 319 |
| Capital employed (Equity + NIBD) | | | 2 659 | 2 480 |
| Net Cash from operating activities | | | 180 | -118 |
| Net Cash from investing activities | | | -72 | -184 |
| Net Cash from financing activities | | | -125 | 245 |
| Net change in cash and cash equivalents | | | -17 | -57 |
| *) Hereof internal debt to Bonheur ASA | | | 653 | 621 |

Operating revenue in 4Q17 was NOK 364 million compared with NOK 264 million in 4Q16. Revenue from the jack-up installation vessels "Brave Tern" and "Bold Tern" was higher than the same quarter last year due to higher average day rate, but offset by lower utilization which was 59% (4Q16: 64%). Revenue from GWS was higher than 4Q16 due to higher offshore utilization.



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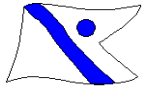
EBITDA for the quarter decreased from NOK 35 million in 4Q16 to NOK 32 million in 4Q17.

Operating revenue year to date 2017 was NOK 1 528 million compared with NOK 1 075 million for 2016. The utilization rate for “Brave Tern” and “Bold Tern” YTD was 83% (51%). EBITDA increased from NOK 55 million for 2016 compared to NOK 370 million in 2017. The improvement in EBITDA compared to last year is mainly due to the higher utilization for the jack-up vessels and less off-hire (leg extension on both vessels in 2016) as well as improved performance in GWS.

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) | 4Q 17 | 3Q 17 | 4Q 16 | 2017 | 2016 |
|---|-------|-------|-------|--------|--------|
| Operating revenues | 404 | 607 | 1 310 | 2 308 | 6 932 |
| EBITDA | 84 | 201 | 810 | 871 | 4 186 |
| EBITDA margin | 21 % | 33 % | 62 % | 38 % | 60 % |
| EBIT | -368 | -237 | 173 | -1 603 | -175 |
| EBT | -459 | -363 | 148 | -1 981 | -651 |
| Net result after tax | -509 | -367 | 72 | -2 144 | -870 |
| Capex | 43 | 17 | 30 | 85 | 90 |
| Equity | | | | 4 868 | 7 355 |
| Gross interest bearing debt | | | | 7 197 | 7 582 |
| - Cash and cash equivalents | | | | 3 569 | 2 503 |
| = Net interest bearing debt (NIBD) | | | | 3 628 | 5 079 |
| Capital employed (Equity + NIBD) | | | | 8 496 | 12 434 |
| Net Cash from operating activities | | | | 1 301 | 4 776 |
| Net Cash from investing activities | | | | 3 | -190 |
| Net Cash from financing activities | | | | -107 | -3 906 |
| Net change in cash and cash equivalents | | | | 1 197 | 680 |



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Below is an extract from FOE's report for 4 quarter 2017 (figures in USD unless otherwise stated).

| (Figures in USD million) | 4Q 17 | 3Q 17 | 4Q 16 | 2017 | 2016 |
|--------------------------|-------|-------|-------|------|------|
| Operating revenues | 49 | 76 | 157 | 279 | 825 |
| EBITDA | 10 | 25 | 97 | 105 | 498 |
| EBIT | -45 | -30 | 21 | -193 | -23 |
| EBT | -56 | -45 | 18 | -238 | -79 |
| Net result | -62 | -46 | 10 | -257 | -105 |

Note that FOE shows 3 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 (3rd quarter 2017 in brackets)

Operating revenues in the quarter were 49.5 million (76.3 million). Revenues within the offshore drilling division decreased by 26.1 million, mainly due to a received settlement for Bredford Dolphin in 3rd quarter and Bolette Dolphin receiving termination fee in 4th quarter vs. partly on contract in third quarter. Revenues within the engineering and fabrication division were 4.5 million.

Operating revenues for the year 2017 were 279.1 million.

Operating costs were 39.2 million (51.0 million), a decrease of 11.8 million compared with previous quarter. Operating costs within the offshore drilling division decreased by 9.0 million, of which 4.5 million is a reduction in pension cost. Operating costs within the engineering and fabrication division were 5.4 million (8.2 million).

Operating costs for the year were 174.2 million.

Operating profit before depreciation (EBITDA) was 10.3 million (25.3 million). EBITDA for the year were 104.9 million.

Depreciation and impairment amounted to 55.4 million (55.0 million). For the year 2017 depreciation and impairment amounted to 297.5 million, including a non-cash impairment charge of 75.0 million.

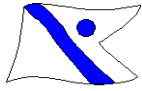
Operating profit after depreciation (EBIT) was - 45.1 million (- 29.7 million). Operating profit (EBIT) for the year was - 192.6 million.

Net financial items were - 11.1 million (- 15.5 million). Net financial items for the year 2017 were - 45.4 million.

Profit before tax was - 56.2 million (- 45.2 million). Profit before tax for the year 2017 was - 238.0 million.

Net profit, including an estimated tax expense of 5.9 million (0.5 million) was - 62.1 million (- 45.7 million). Net profit after tax for the year 2017 was - 257.4 million.

Basic earnings per share were - 0.94 (- 0.69). For the year 2017 basic earnings per share were - 3.88. “



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Cruise

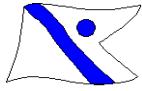
Cruise consists of 100% ownership of Fred. Olsen Cruise Lines Ltd, with subsidiaries (FOCL), located in the UK.

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

| (Figures in NOK million) | 4Q 17 | 4Q 16 | 2017 | 2016 |
|---|-------|-------|-------|-------|
| Operating revenues | 476 | 401 | 2 149 | 2 070 |
| EBITDA | 29 | 18 | 346 | 320 |
| EBITDA margin | 6 % | 4 % | 16 % | 15 % |
| EBIT | -29 | -34 | 116 | 98 |
| EBT | -21 | -26 | 74 | 164 |
| Net result after tax | -21 | -27 | 73 | 163 |
| Capex | 187 | 117 | 215 | 130 |
| Equity | 1 115 | 1 155 | 1 115 | 1 155 |
| Gross interest bearing debt | | | 0 | 0 |
| - Cash and cash equivalents | | | 571 | 540 |
| = Net interest bearing debt (NIBD) | | | -571 | -540 |
| Capital employed (Equity + NIBD) | | | 544 | 615 |
| Net Cash from operating activities | | | 379 | 428 |
| Net Cash from investing activities | | | -217 | -129 |
| Net Cash from financing activities | | | -168 | 0 |
| Net change in cash and cash equivalents | | | -6 | 298 |

Operating revenue in the quarter were NOK 476 million (NOK 401 million). Operating result before depreciation and finance (EBITDA) was NOK 29 million (NOK 18 million). The NOK figures are impacted by a 4% increase in the NOK/GBP rates compared to the same quarter last year.

During the quarter, *Black Watch* completed cruises to the Canaries, Scotland, Norway and a “captain’s mystery cruise”. *Boudicca* completed a cruise to the Azores before starting the Indian Ocean Program with cruises between October and December. *Braemar* has completed European cruises and Caribbean cruises and undertook a planned upgrade and drydock with 12 days at yard in November/ December. The ship sailed from Southampton throughout the period before repositioning to the Caribbean in December. *Balmoral* has completed a Baltic cruise, a European cruise and cruises to the Caribbean and then the Canaries over Christmas. The ship sailed from Southampton in the quarter, and undertook a 13 days planned dry dock and upgrade in December.



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The number of passenger days totaled 243 183 for the quarter (273 847), a decline of 11%. Net ticket income per diem (GBP) was 22% higher, compared to the corresponding quarter last year.

For the full year year, Cruise had operating revenues of NOK 2 149 million (NOK 2 070 million). EBITDA were NOK 346 million (NOK 320 million). Total number of passenger days was 1 073 986, a decrease of 5% or 50 546 passenger days from the corresponding period last year. Net ticket income per diem (GBP) was 16% higher in 2017 compared to 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 (Software-as-a-Service), Global Publications (Tradewinds, Upstream, Intrafish, Fiskeribladet, Recharge and Europower), and Nautical Charts.

NHST Media Group AS achieved a turnover of NOK 349 million in the quarter (NOK 337 million). The shift towards digital products and services continue. The market share and number of copies sold for most of the publications has in total been positive and circulation revenues in the quarter was NOK 203.9 million compared NOK 189.7 million in the same quarter 2016. The advertising revenue decreased by 5% to NOK 83.4 million in the quarter (NOK 87.7 million in the same quarter in 2016). Operating cost was up by 5% compared to 4Q16.

The result before depreciation (EBITDA) for the quarter was NOK 21 million (NOK 23 mill. in 4Q 2016).

For the full year, the turnover was NOK 1 315 million compared to NOK 1 325 million in 2016. Circulation revenues for 2017 was NOK 786 million (NOK 724 million in 2016). Operating cost was down by about 1% to NOK 1 281 million in 2017 (NOK 1 298 million in 2016). EBITDA was 88 million (NOK 71 million in 2016).

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. Dividends of NOK 184 million were received in 2017.

Other information

Capital and financing

In 4Q 2017 capex were NOK 384 million, mainly related to NOK 43 million within Offshore drilling, NOK 105 million within Renewable energy for the completion ofr Brochloch Rig Windfarm (formerly named Windy Standard II), NOK 48 million within Shipping/Offshore wind and NOK 187 million within Cruise, mainly for the docking of Balmoral and Braemar.

Gross interest bearing debt of the Group as per end of 2017 was NOK 14 502 million, a decrease of NOK 596 million since year end 2016. Cash and cash equivalents amounted to NOK 8 593 million, an increase of NOK 1 365 million since year end 2016. Net interest bearing debt (Gross interest bearing debt less Cash and cash equivalents (NIBD)) of the Group as at 31 December 2017 was NOK 5 909 million, a decrease of NOK 1 960 million since year end 2016. As per 31 December 2017, the equity to asset ratio was 37% compared with 40% at year-end 2016.



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

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

| (NOK million) | Renewable Energy | Shipping / Offshore wind | Offshore Drilling | Cruise | Other/Elim | 31.12.2017 Total | 30.09.2017 Total |
|-------------------------------------|---------------------|-----------------------------|----------------------|--------|------------|---------------------|---------------------|
| Gross interest bearing liabilities | 3 945 | 1 530 | 7 197 | 0 | 1 830 | 14 502 | 14 034 |
| Cash and cash equivalents | 1 167 | 242 | 3 569 | 571 | 3 043 | 8 593 | 8 351 |
| Net interest bearing liabilities *) | 2 777 | 1 288 | 3 628 | -571 | -1 213 | 5 909 | 5 683 |
| Equity | 2 259 | 1 371 | 4 868 | 1 115 | 1 540 | 11 153 | 11 298 |
| Capital employed | 5 036 | 2 659 | 8 496 | 544 | 327 | 17 062 | 16 981 |

*) Intercompany loans included

Annual General meeting / Dividend

With regard to the Annual General Meeting in 2017, the board will propose a dividend of NOK 2.00 per share. For the company NOK 85.1 million.

The annual general meeting is scheduled for Wednesday 30 May 2018.



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Condensed consolidated financial statements in accordance with IFRS

Income statement - Group

(NOK million) - unaudited

| | Note | Oct-Dec 2017 | Oct-Dec 2016 | Jan-Dec 2017 | Jan-Dec 2016 |
|--|------|-----------------|-----------------|-----------------|-----------------|
| Revenues | 4 | 2 063.7 | 2 629.3 | 8 633.3 | 12 414.5 |
| Operating costs | | -1 580.0 | -1 564.6 | -6 192.7 | -7 342.6 |
| Operating result before depreciation / impairment losses (EBITDA) | 4 | 483.7 | 1 064.8 | 2 440.6 | 5 071.9 |
| Depreciation | | -672.9 | -759.7 | -2 719.1 | -3 329.6 |
| Impairment losses | | -15.5 | -213.2 | -666.2 | -2 036.7 |
| Operating result (EBIT) | 4 | -204.7 | 91.9 | -944.8 | -294.4 |
| Share of result from associates | | -6.4 | 21.9 | -17.2 | 17.0 |
| Result before financial items | | -211.0 | 113.8 | -962.0 | -277.4 |
| Financial income | | 68.1 | 162.5 | 447.3 | 1 128.3 |
| Financial expenses | | -173.9 | -176.3 | -944.5 | -1 538.2 |
| Net financial income / expense (-) | | -105.8 | -13.8 | -497.2 | -409.8 |
| Result before tax (EBT) | | -316.8 | 100.1 | -1 459.2 | -687.2 |
| Income tax expense | 6 | -160.3 | -51.8 | -316.3 | -316.9 |
| Net result | | -477.2 | 48.2 | -1 775.5 | -1 004.1 |
| Attributable to non-controlling interests 1) | | -207.9 | 28.1 | -912.5 | -514.5 |
| Attributable to shareholders of the parent company | | -269.3 | 20.1 | -863.0 | -489.6 |
| Basic earnings / Diluted earnings per share (NOK) | | -6.3 | 0.5 | -20.3 | -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

| | Oct-Dec 2017 | Oct-Dec 2016 | Jan-Dec 2017 | Jan-Dec 2016 |
|--|-----------------|-----------------|-----------------|-----------------|
| Result for the period | -477.2 | 48.2 | -1 775.5 | -1 004.1 |
| Other comprehensive income: | | | | |
| Items that will not be reclassified to profit or loss | | | | |
| Actuarial gains/(losses) on pension plans | 113.3 | -96.7 | 113.3 | -96.7 |
| Recognition of pension liability from a subsidiary 1) | 0.0 | 0.0 | 0.0 | -15.6 |
| Other comprehensive income for the period | 0.3 | 10.7 | -4.9 | 16.6 |
| Income tax on other comprehensive income | -82.7 | 5.3 | -82.7 | 5.3 |
| Total items that will not be reclassified to profit or loss | 30.9 | -80.7 | 25.7 | -90.4 |
| Items that may be reclassified subsequently to profit or loss | | | | |
| Foreign exchange translation effects: | | | | |
| - Foreign currency translation differences for foreign operations | 296.8 | 537.4 | -112.7 | -1 042.1 |
| - 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 | 0.0 | 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 | 4.2 | -22.3 | -13.0 | -91.4 |
| - Net change in fair value of available-for-sale financial assets transferred to profit or loss | 0.0 | 0.0 | 0.0 | -16.7 |
| Other comprehensive income from associates | 0.0 | | 0.0 | |
| Income tax on other comprehensive income | 0.0 | 0.1 | 0.0 | -0.4 |
| Total items that may be reclassified subsequently to profit or loss | 301.0 | 515.1 | -125.7 | -1 150.6 |
| Other comprehensive income for the period, net of income tax | 331.9 | 434.4 | -100.0 | -1 241.0 |
| Total comprehensive income for the period | -145.3 | 482.6 | -1 875.5 | -2 245.1 |
| Attributable to: | | | | |
| Equity holders of the parent | -13.6 | 262.0 | -861.1 | -1 605.6 |
| Non-controlling interests 2) | -131.7 | 220.6 | -1 014.4 | -639.5 |
| Total comprehensive income for the period | -145.3 | 482.6 | -1 875.5 | -2 245.1 |

1) Multi-employer scheme not included in defined benefit obligation

2) As at 31 December 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).



BONHEUR ASA

Statement of financial position - Group

(NOK million) - unaudited

| | 31.12.2017 | 31.12.2016 |
|--|-----------------|-----------------|
| Intangible fixed assets | 919.0 | 922.8 |
| Deferred tax asset | 212.4 | 362.0 |
| Property, plant and equipment | 17 580.6 | 20 264.2 |
| Investments in associates | 63.8 | 76.1 |
| Other financial fixed assets | 467.3 | 534.8 |
| Non-current assets | 19 243.1 | 22 160.0 |
| Inventories and consumable spare parts | 1 027.9 | 1 090.7 |
| Trade and other receivables | 1 595.2 | 2 041.9 |
| Cash and cash equivalents | 8 592.6 | 7 228.0 |
| Current assets | 11 215.7 | 10 360.7 |
| Total assets | 30 458.8 | 32 520.6 |
| Share capital | 53.2 | 53.2 |
| Share premium reserve | 143.3 | 143.3 |
| Retained earnings | 8 318.9 | 9 265.1 |
| Equity owned by the shareholders in the parent company | 8 515.4 | 9 461.5 |
| Non-controlling interests 1) | 2 637.2 | 3 653.3 |
| Equity | 11 152.6 | 13 114.8 |
| Non-current interest bearing liabilities | 12 201.0 | 13 955.5 |
| Other non-current liabilities | 1 802.6 | 1 896.6 |
| Non-current liabilities | 14 003.6 | 15 852.1 |
| Current interest bearing liabilities | 2 300.6 | 1 141.8 |
| Other current liabilities | 3 002.0 | 2 411.9 |
| Current liabilities | 5 302.6 | 3 553.7 |
| Total equity and liabilities | 30 458.8 | 32 520.6 |

Oslo, 13 February 2018

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 | -942.4 | 0.6 | -108.5 | 0.0 | -555.3 | -1 605.6 | -639.5 | -2 245.1 |
| 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 31 December 2016 | 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 |
| 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 | 34.4 | 0.0 | -13.0 | 0.0 | -882.5 | -861.1 | -1 014.4 | -1 875.5 |
| 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 31 December 2017 | 53.2 | 143.3 | 1 202.1 | 0.0 | 30.0 | 0.0 | 7 086.8 | 8 515.4 | 2 637.2 | 11 152.6 |

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.

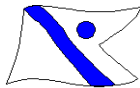
Fair value reserve

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 31 December 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 are the Bonheur shares that were owned by Ganger Rolf ASA. These shares were used as consideration to the Ganger Rolf shareholders in the merger.



BONHEUR ASA

Consolidated statement of cash flow – Group

| <i>(NOK million) - unaudited</i> | Oct-Dec 2017 | Jan-Dec 2017 | Jan-Dec 2016 |
|--|-----------------|-----------------|-----------------|
| Cash flow from operating activities | | | |
| Net result | -477.2 | -1 775.5 | -1 004.1 |
| <i>Adjustments for:</i> | | | |
| Depreciation, impairment losses | 688.4 | 3 385.3 | 5 366.3 |
| Net of investment income, interest expenses and net unrealized foreign exchange gain | 105.8 | 431.6 | 581.1 |
| Share of result from associates | 6.4 | 17.2 | -17.1 |
| Net gain (-) / loss on sale of property, plant and equipment and other investments | 4.9 | -18.8 | -135.6 |
| Tax expense | 160.3 | 316.3 | 316.9 |
| Cash generated before changes in working capital and provisions | 488.5 | 2 356.1 | 5 107.6 |
| Increase (-) / decrease in trade and other receivables | -14.9 | 536.6 | 1 697.3 |
| Increase / decrease (-) in current liabilities | -65.0 | 297.6 | -330.5 |
| Cash generated from operations | 408.6 | 3 190.3 | 6 474.3 |
| Interest paid | -121.9 | -603.8 | -700.8 |
| Tax paid | -7.5 | -138.3 | -237.7 |
| Net cash from operating activities | 279.2 | 2 448.2 | 5 535.8 |
| Cash flow from investing activities | | | |
| Proceeds from sale of property, plant and equipment and other investments | 11.1 | 138.0 | 311.7 |
| Interest and dividends received | 24.6 | 174.8 | 120.3 |
| Acquisitions of property, plant and equipment and changes in other investments | -366.8 | -695.1 | -1 412.6 |
| Net cash from investing activities | -331.1 | -382.3 | -980.6 |
| Cash flow from financing activities | | | |
| Net proceed from issue of shares in subsidiaries | 0.1 | 7.7 | |
| Increase in borrowings | 498.7 | 998.3 | 1 643.3 |
| Repayment of borrowings | -377.3 | -1 591.7 | -6 266.8 |
| Dividends paid | 0.0 | -86.7 | -85.1 |
| Net cash from financing activities | 121.4 | -672.5 | -4 708.5 |
| Net increase in cash and cash equivalents | 69.5 | 1 393.4 | -153.3 |
| Cash and cash equivalents at 1 January | 8 351.3 | 7 228.0 | 8 340.3 |
| Effect of exchange rate fluctuations on cash held | 171.8 | -28.8 | -959.0 |
| Cash and cash equivalents at 31 December | 8 592.6 | 8 592.6 | 7 228.0 |



BONHEUR ASA

Notes

Note 1 – Basis of presentation

Introduction

The Group accounts for the fourth 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 fourth quarter 2017 was approved by the Company’s board on 13 February 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. Based on information gathered to date, and based on the assumptions taken, the group expects as of 31.12.2017 an EBITDA effect of approximately NOK 29 million (EUR 3 million) on delayed recognition of revenue and operating costs from contracts with customers in the Offshore / wind segment. Except from effects in the Offshore / wind segment, no significant impact of IFRS 15 from the other business areas in the Group is expected as of 1 January 2018. The conclusion is that all entities in the Group will transition to IFRS 15 on 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 31.12.2017 that it may capitalize Right of Use Assets in the range of NOK 300 million to NOK 450 million 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 annual increase of approximately NOK 32 million.

The conclusion is that all entities in the Group plan to transition to IFRS 16 on 1 January 2019 without changing comparatives (the modified retrospective approach).

IFRS 9 – Financial instruments

The Group expects no significant effect of the transition to IFRS 9. The conclusion is that all entities in the Group will transition on 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. The windfarm was 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 | 76.7 | 253.7 | 263.2 | 60.1 | 653.7 |
| Disposals | -2 380.0 | -8.8 | | -17.9 | -2 406.7 |
| Currency translation | -1 600.5 | 447.3 | 370.6 | 27.1 | -755.6 |
| Balance at 31 December 2017 | 29 340.6 | 7 985.9 | 7 857.6 | 1 391.3 | 46 575.4 |
| Depreciation | | | | | |
| Balance at 1 January 2017 | 21 721.1 | 3 794.1 | 2 427.9 | 876.6 | 28 819.8 |
| Depreciation | 1 800.7 | 363.8 | 425.4 | 76.2 | 2 666.2 *) |
| Impairment losses | 634.5 | 0.0 | 0.0 | 6.9 | 641.5 *) |
| Disposals | -2 366.9 | -6.4 | | -12.1 | -2 385.5 |
| Currency translation | -1 086.9 | 218.9 | 95.2 | 25.6 | -747.2 |
| Balance at 31 December 2017 | 20 702.5 | 4 370.4 | 2 948.6 | 973.3 | 28 994.8 |
| Carrying amounts | | | | | |
| At 1 January 2017 | 11 523.4 | 3 499.5 | 4 795.9 | 445.5 | 20 264.2 |
| At 31 December 2017 | 8 638.1 | 3 615.4 | 4 909.0 | 418.0 | 17 580.6 |

*) In addition, depreciation and impairment amount to NOK 78 million from intangible assets, of which NOK 25 million is impairment.



BONHEUR ASA

Note 3 – Intangible assets – investments

As per 31 December 2017 the Group had intangible assets of NOK 919 million. NOK 544 million is the net book value of the intangible assets from NHST. Intangible assets related to Nautical Charts have been impaired with NOK 25 million during 2017. In addition FOR has intangible assets of NOK 346 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 27 million of which 25 million is goodwill.

Note 4 – Segment information

| 4. quarter | Renewable energy | | Shipping/Offsh. wind | | Offshore drilling | | Cruise | | Other investments | | Total consolidated companies | |
|------------------------------------|------------------|-------|----------------------|-------|-------------------|-------|--------|-------|-------------------|-------|------------------------------|--------|
| | 4Q.17 | 4Q.16 | 4Q.17 | 4Q.16 | 4Q.17 | 4Q.16 | 4Q.17 | 4Q.16 | 4Q.17 | 4Q.16 | 4Q.17 | 4Q.16 |
| Consolidated companies | | | | | | | | | | | | |
| Revenues | 467 | 306 | 364 | 264 | 404 | 1 310 | 476 | 401 | 352 | 349 | 2 064 | 2 629 |
| Operating costs | -131 | -94 | -332 | -230 | -320 | -500 | -447 | -383 | -351 | -359 | -1 580 | -1 565 |
| Oper. result before depr. (EBITDA) | 336 | 212 | 32 | 35 | 84 | 810 | 29 | 18 | 2 | -10 | 484 | 1 065 |
| Depreciation / Write down | -101 | -125 | -46 | -141 | -452 | -637 | -58 | -52 | -31 | -17 | -688 | -973 |
| Operating result (EBIT) | 235 | 87 | -14 | -106 | -368 | 173 | -29 | -34 | -29 | -27 | -205 | 92 |
| Net result | 113 | 122 | -56 | -124 | -509 | 72 | -21 | -27 | -4 | 4 | -477 | 48 |

| Per 4. quarter | Renewable energy | | Shipping/Offsh. wind | | Offshore drilling | | Cruise | | Other investments | | Total consolidated companies | |
|------------------------------------|------------------|--------|----------------------|--------|-------------------|--------|--------|--------|-------------------|--------|------------------------------|--------|
| | YTD 17 | YTD 16 | YTD 17 | YTD 16 | YTD 17 | YTD 16 | YTD 17 | YTD 16 | YTD 17 | YTD 16 | YTD 17 | YTD 16 |
| Consolidated companies | | | | | | | | | | | | |
| Revenues | 1 295 | 979 | 1 528 | 1 075 | 2 308 | 6 932 | 2 149 | 2 070 | 1 354 | 1 359 | 8 633 | 12 415 |
| Operating costs | -410 | -361 | -1 158 | -1 020 | -1 437 | -2 746 | -1 803 | -1 750 | -1 385 | -1 465 | -6 193 | -7 343 |
| Oper. result before depr. (EBITDA) | 885 | 618 | 370 | 55 | 871 | 4 186 | 346 | 320 | -31 | -106 | 2 441 | 5 073 |
| Depreciation / Write down | -427 | -468 | -161 | -253 | -2 474 | -4 361 | -230 | -222 | -94 | -62 | -3 385 | -5 366 |
| Operating result (EBIT) | 458 | 150 | 209 | -198 | -1 603 | -175 | 116 | 98 | -125 | -168 | -945 | -294 |
| Net result | 240 | 115 | 132 | -340 | -2 144 | -870 | 73 | 163 | -76 | -72 | -1 775 | -1 004 |
| Total assets | 7 278 | 8 686 | 3 259 | 2 998 | 13 468 | 16 292 | 2 104 | 2 000 | 4 350 | 2 544 | 30 459 | 32 521 |
| Total liabilities | 5 020 | 5 117 | 1 888 | 1 837 | 8 600 | 8 937 | 990 | 845 | 2 810 | 2 669 | 19 306 | 19 406 |

Companies fully consolidated in the Group accounts

Renewable energy

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

Shipping / Offshore wind

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

Offshore Drilling

Fred. Olsen Energy ASA

Cruise

Fred Olsen Cruise Lines Ltd and First Olsen Holding 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 (liquidated from 4th quarter 2017), Bonheur og Ganger Rolf ANS, Bonheur ASA, Laksa AS, Laksa II AS and Fred. Olsen Spedisjon AS.



BONHEUR ASA

Revenue split

| (NOK million) | 4Q 17 | 4Q 16 | 2017 | 2016 |
|--------------------------------------|--------------|--------------|--------------|---------------|
| Sales of electricity and other goods | 247 | 186 | 746 | 626 |
| Government grants | 250 | 135 | 634 | 502 |
| Lease revenue | 77 | 775 | 1 039 | 4 305 |
| Service revenue | 935 | 1 164 | 4 464 | 5 670 |
| Engineering and fabrication | 37 | 22 | 151 | 83 |
| Other operating revenue | 518 | 348 | 1 599 | 1 228 |
| Total revenues | 2 064 | 2 629 | 8 633 | 12 415 |

Note 5 – Interest bearing loans

FOR has secured bank loans of GBP 267 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 4 million as per 31 December 2017.

FOO has bank loans of equivalent to EUR 89 million outstanding as per 31 December 2017.

As per December 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.

NHST has bank loans of NOK 50 million outstanding as per 31 December 2017.

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

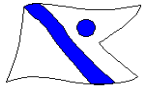
In July 2014, Bonheur ASA issued NOK 900 million senior unsecured bonds with maturity in 2019 and NOK 600 million senior unsecured bonds with maturity in 2021.

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, terms of interest: 3 months Nibor plus margin of 4.00%.

On 27 October 2017, Bonheur ASA successfully completed a new senior unsecured bond issue of NOK 500 million with maturity in November 2020, with terms of interest of 3 months Nibor plus margin 3.15%. In conjunction with the bond issue, Bonheur ASA has bought back approximately NOK 62 million of its BON03 bonds maturing 11 February 2019 and approximately NOK 293.5 million of its BON05 bonds maturing 09 July 2019,



BONHEUR ASA

Note 6 – Taxes

At year end 2017 there was one ongoing tax dispute between a subsidiary within the Group and the Norwegian tax authorities; the dispute between Fred. Olsen Ocean Ltd and the tax authorities as mentioned in Note 26 in the Annual Report 2016.

Due to a decision by the tax authorities in favor of a subsidiary within the Shipping Offshore wind segment (Mopu AS), accrued tax charge was reduced by NOK 37 million. For further information see also Annual Report 2016.

The tax charge in the quarter was NOK 160 million. There was a reduction in deferred tax assets and corresponding tax costs in particular due to the following:

Future lower tax rates in Norway and the UK, reclassification of losses related to internal loans to Danish subsidiaries and exchange rate differences impacting deferred tax assets from realization of dormant Singaporean companies.



BONHEUR ASA

Note 7 – Bonheur ASA (Parent company – NGAAP)

(NOK million) - unaudited

CONDENSED INCOME STATEMENT (NGAAP)

| | Jan-Dec 2017 | Jan-Dec 2016 |
|--|-----------------|-----------------|
| Revenues | 0.1 | 0.2 |
| Operating costs | -118.6 | -137.6 |
| Operating result before depreciation (EBITDA) | -118.5 | -137.5 |
| Depreciation | -3.3 | -3.0 |
| Operating result (EBIT) | -121.8 | -140.4 |
| Financial revenues | 2 171.9 | 233.4 |
| Financial costs | -580.2 | -215.6 |
| Net financial items | 1 591.7 | 17.8 |
| Result before tax (EBT) | 1 469.9 | -122.6 |
| Tax expense | 0.0 | 0.0 |
| Net result after estimated tax | 1 469.9 | -122.6 |

CONDENSED BALANCE SHEET (NGAAP)

| | 31.12.2017 | 31.12.2016 |
|--|----------------|----------------|
| Property, plant and equipment | 53.3 | 56.4 |
| Investments in subsidiaries | 5 124.7 | 7 995.1 |
| Other financial fixed assets | 975.2 | 1 067.2 |
| Non-current assets | 6 153.2 | 9 118.7 |
| Trade and other receivables | 9.7 | 4.1 |
| Cash and cash equivalents | 2 789.8 | 861.5 |
| Current assets | 2 799.5 | 865.6 |
| Total assets | 8 952.6 | 9 984.4 |
| Share capital | 53.2 | 53.2 |
| Share premium | 143.3 | 143.3 |
| Retained earnings | 5 815.9 | 4 419.0 |
| Equity | 6 012.3 | 4 615.4 |
| Non-current interest bearing liabilities | 2 433.2 | 1 793.0 |
| Other non-current liabilities | 372.5 | 357.0 |
| Non-current liabilities | 2 805.7 | 2 150.0 |
| Current interest bearing liabilities | 0.0 | 480.5 |
| Other current liabilities | 134.6 | 2 738.4 |
| Current liabilities | 134.6 | 3 218.9 |
| Total equity and liabilities | 8 952.6 | 9 984.4 |



BONHEUR ASA

| <i>(NOK million) - unaudited</i> | Oct-Dec 2017 | Jan-Dec 2017 | Jan-Dec 2016 |
|---|-------------------------|-------------------------|-------------------------|
| Cash flow from operating activities | | | |
| Net result after tax | -93.7 | 1 469.9 | -51.5 |
| <i>Adjustments for:</i> | | | |
| Depreciation | 0.7 | 3.3 | 2.4 |
| Net of investment income, interest expenses and net unrealized foreign exchange gains | 262.5 | -1 390.6 | 51.3 |
| Net gain on sale of property, plant and equipment and other investments | -153.8 | -153.6 | -78.0 |
| Tax expense | 0.0 | 0.0 | 0.0 |
| Cash generated before changes in working capital and provisions | 15.8 | -71.0 | -75.9 |
| Increase (-) / decrease in trade and other receivables | -16.9 | -18.3 | -11.5 |
| Increase / decrease (-) in current liabilities | 23.6 | -3.3 | -7.9 |
| Cash generated from operations | 22.4 | -92.6 | -95.3 |
| Interest paid | -26.1 | -103.2 | -93.4 |
| Tax paid | 0.0 | 0.0 | 0.0 |
| Net cash from operating activities | -3.7 | -195.8 | -188.7 |
| Cash flow from investing activities | | | |
| Proceeds from sale of property, plant and equipment and other investments | 8.5 | 92.5 | 233.8 |
| Interest and dividends received | 185.7 | 1 936.5 | 63.0 |
| Acquisitions of property, plant and equipment and other investments | -15.1 | 20.4 | -414.3 |
| Net cash from investing activities | 179.1 | 2 049.4 | -117.5 |
| Cash flow from financing activities | | | |
| Increase in borrowings | 495.8 | 1 040.6 | 3.0 |
| Repayment of borrowings | -355.1 | -880.9 | -151.7 |
| Dividends paid | 0.0 | -85.1 | -85.1 |
| Net cash from financing activities | 140.6 | 74.6 | -233.7 |
| Net increase in cash and cash equivalents | 316.0 | 1 928.3 | -539.9 |
| Cash and cash equivalents beginning of period | 2 473.8 | 861.5 | 1 213.3 |
| Cash and cash equivalents at 31 December | 2 789.8 | 2 789.8 | 673.4 |

Basis of presentation of the Parent Company financial information

Introduction

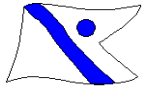
Bonheur ASA is the Parent Company.

Financial framework and accounting principles

The accounts have been prepared in accordance with the Norwegian accounting act and generally accepted accounting principles in Norway (NGAAP). The accounts do not include all information required for annual accounts and should be read in conjunction with the Parent Company's annual accounts for 2016 and the previous interim reports issued in 2017. Norsk Regnskapsstiftelse has not approved new amendments to its standards with effect for 2017. All figures presented are in NOK unless otherwise stated.

Shares and other securities

Long term investments in subsidiaries, associated companies and other shares and bonds, which are held to maturity date, are classified as financial fixed assets in the balance sheet and measured at the lower of cost and market value. As a consequence of the market value of the shares in Fred. Olsen Energy ASA at 31 December 2018 is lower than book value the Investment has been adjusted down with NOK 429 million to reflect the requirements in NGAAP.



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 |