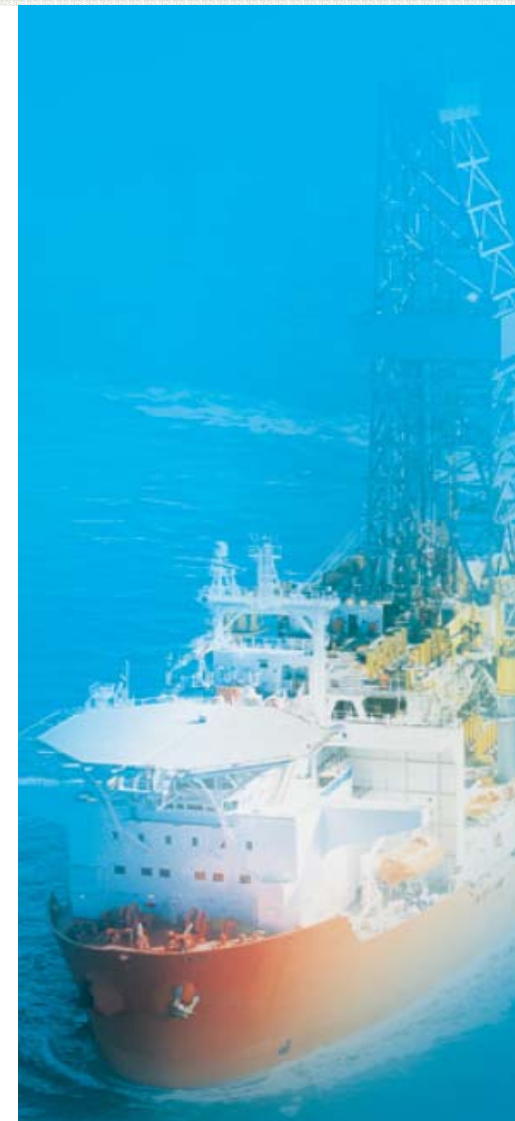


Fred. Olsen Energy ASA

4Q 2005 presentation

9 February 2006



AGENDA

- **FINANCIAL RESULT 4Q05**
- MARKETS
- OPERATIONS
- SUMMARY AND OUTLOOK

Income Statement – Key Figures

(NOK mill)	4th Q 2005	3rd Q 2005
Operating revenues	897.9	800.2
Operating costs	(554.9)	(494.3)
Oper. result before depr. (EBITDA)	343.0	305.9
Depreciation	(155.5)	(166.5)
Operating result before other items	187.5	139.4
Other Items	(33.7)	-
Operating result (EBIT)	153.8	139.4
Net financial items	(86.0)	(42.3)
Result before tax	67.8	97.1
Estimated tax	(39.9)	12.6
Net result	27.9	109.7

4Q05 vs. 3Q05

4th quarter vs. 3rd quarter 2005			
EBITDA			
3rd quarter EBITDA			305,9
plus:	Borgsten	15,0	
	Bulford	42,0	
	H&W	42,5	99,5
minus:	Belford	(9,0)	
	Bideford	(24,2)	
	Borgland	(8,6)	
	Other	(4,6)	
	Overhead	(16,0)	(62,4)
4th quarter EBITDA			343,0

Financial Items Breakdown

(NOK mill)	4th Q 2005	3rd Q 2005
Interest income	3	1
Gain on financial instruments	1	2
Other financial income	0	-
Financial income	4	4
Interest expenses	(55)	(47)
Calculated Interest, convertible	(12)	-
Losses on financial instruments	(38)	(1)
Other financial expenses	(3)	(5)
Financial expenses	(107)	(54)
Net foreign currency	17	8
Net financial items	(86)	(42)

Offshore Drilling Segment

(NOK mill)	4th Q 2005	3rd Q 2005
Operating revenues	871	777
Operating costs	(571)	(472)
Oper. result before depr. (EBITDA)	300	305
Depreciation	(155)	(166)
Operating result before other items	145	140
Other Items	(34)	-
Operating result (EBIT)	112	140

Engineering & Fabrication Segment

(NOK mill)

	4th Q 2005	3rd Q 2005
Operating revenues	27	23
Pension liability recalculation	40	
Other Operating costs	(24)	(22)
Oper. result before depr. (EBITDA)	43	1
Depreciation	(1)	(1)
Oper. result before depr. (EBIT)	42	0

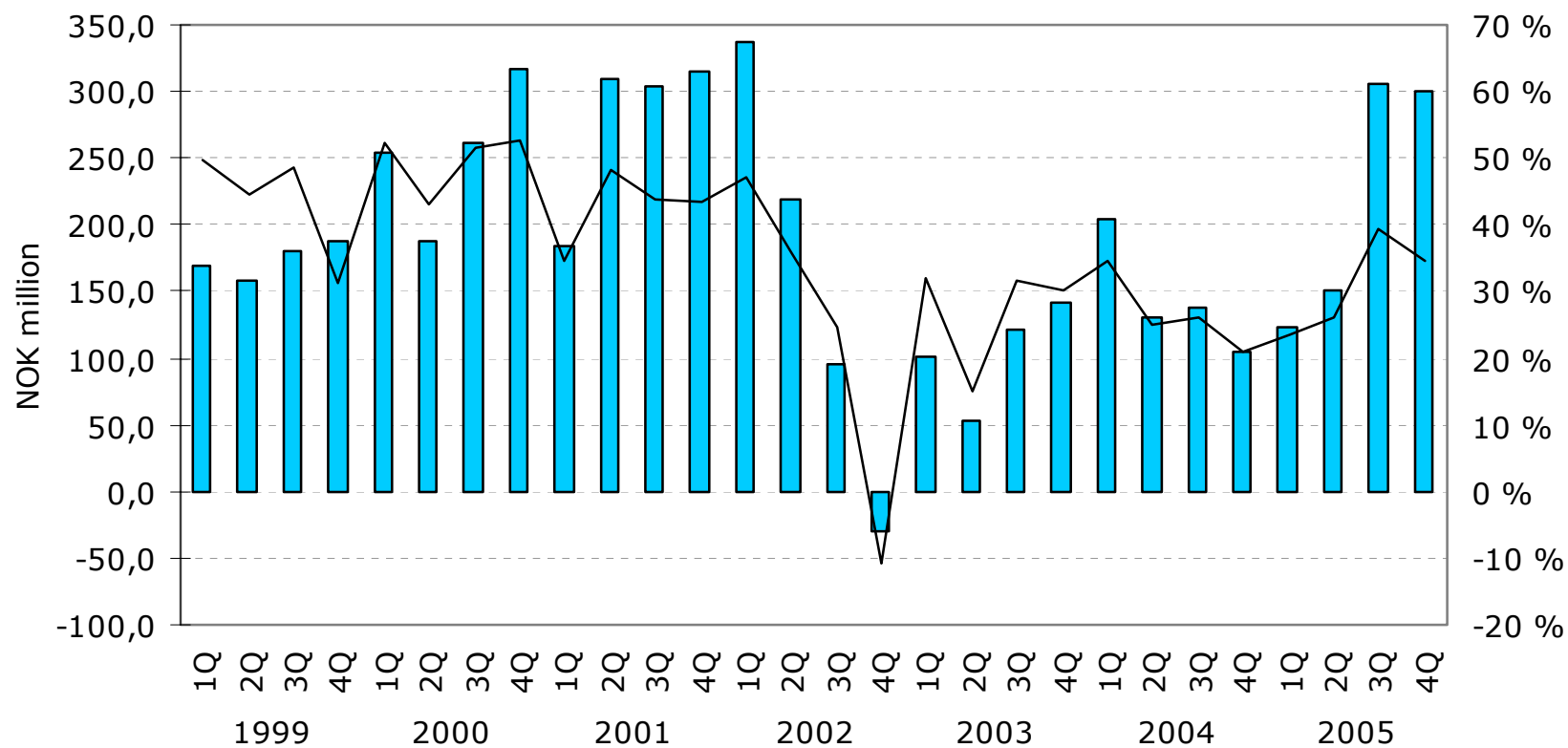
Consolidated Balance Sheet

(NOK mill)	31/12/05	30/09/05
Intangible assets	99	89
Fixed assets	5 391	5 234
Financial long-term assets	50	108
Total long-term assets	5 540	5 431
Other current assets	983	903
Cash and cash equivalents	717	634
Total short term-assets	1 700	1 537
Total assets	7 240	6 968
Equity	2 951	2 789
Long term interest bearing debt	2 796	2 883
Other long term liabilities	290	327
Total long-term liabilities	3 086	3 209
Short-term liabilities	704	580
Short-term interest bearing debt	499	390
Total short-term liabilities	1 204	970
Total equity and liabilities	7 240	6 968

Consolidated Cash Flow

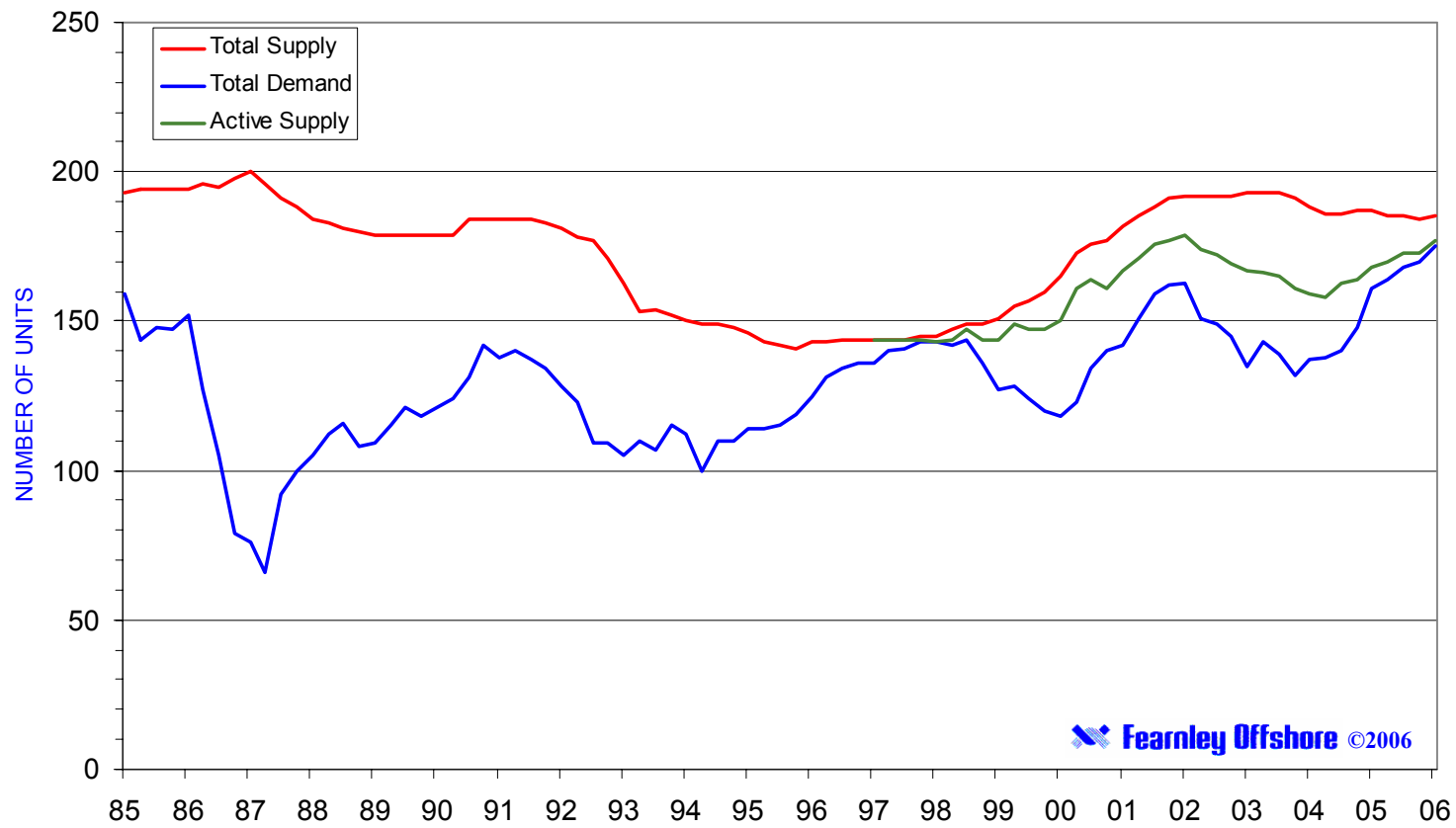
(NOK mill)	4th Q 2005	3rd Q 2005
Net result before tax	68	97
Depreciation and amortization	156	167
Changes in working capital	9	(106)
Cash flow from operating activities	233	158
Net investment in fixed assets	(145)	(59)
Cash flow from investment activities	(145)	(59)
Net borrowing/repayment of loans	(53)	159
Cash flow from financing activities	(53)	159
Foreign currency	49	(1)
Net change in cash and cash equivalents	34	258
Cash at beginning of period	634	377
Cash at end of period	717	634

Offshore drilling EBITDA and margin

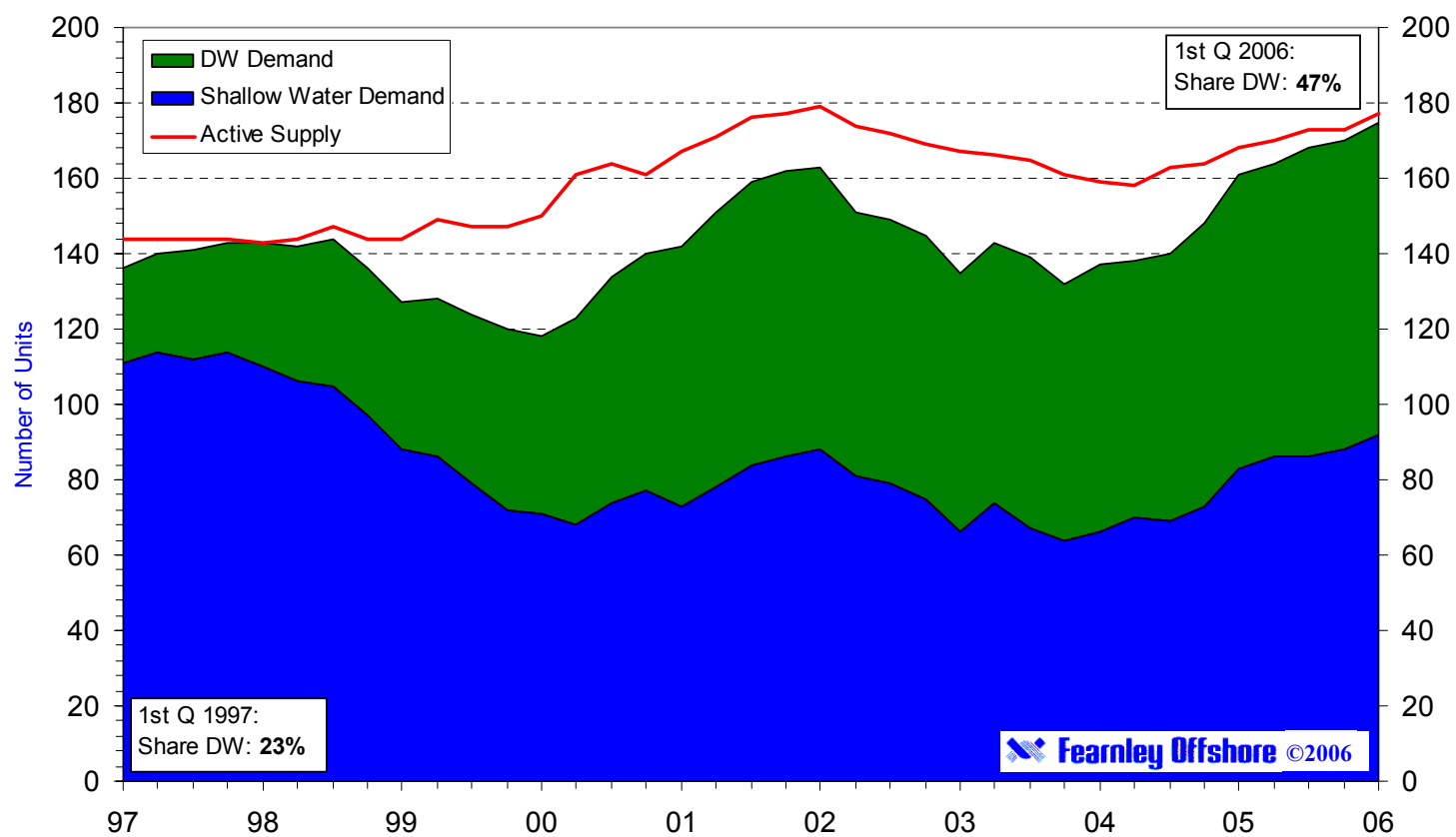


- FINANCIAL RESULT 4Q05
- **MARKETS**
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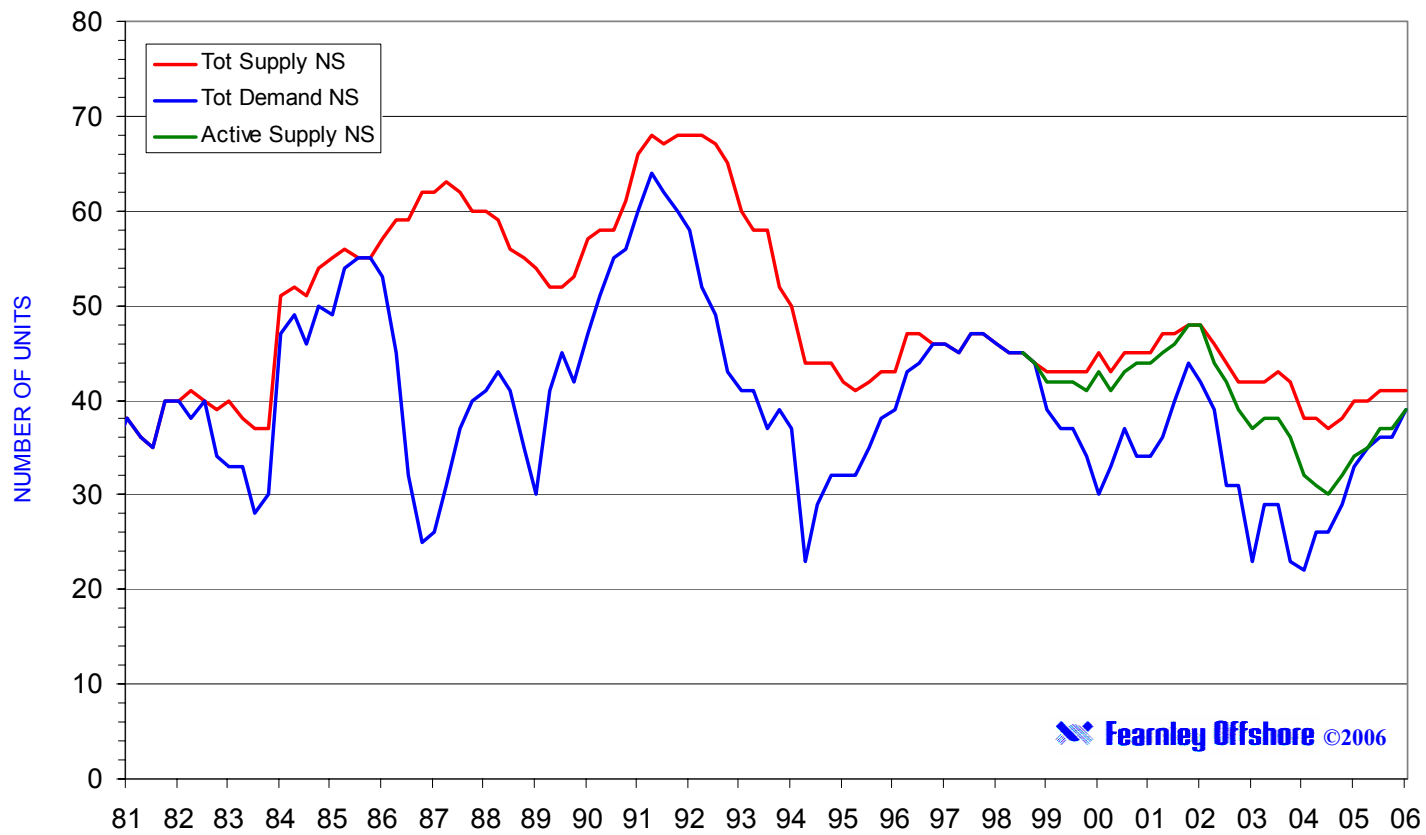
SUPPLY AND DEMAND WORLDWIDE FLOATERS



ACTIVE SUPPLY AND DEMAND WORLDWIDE FLOATERS

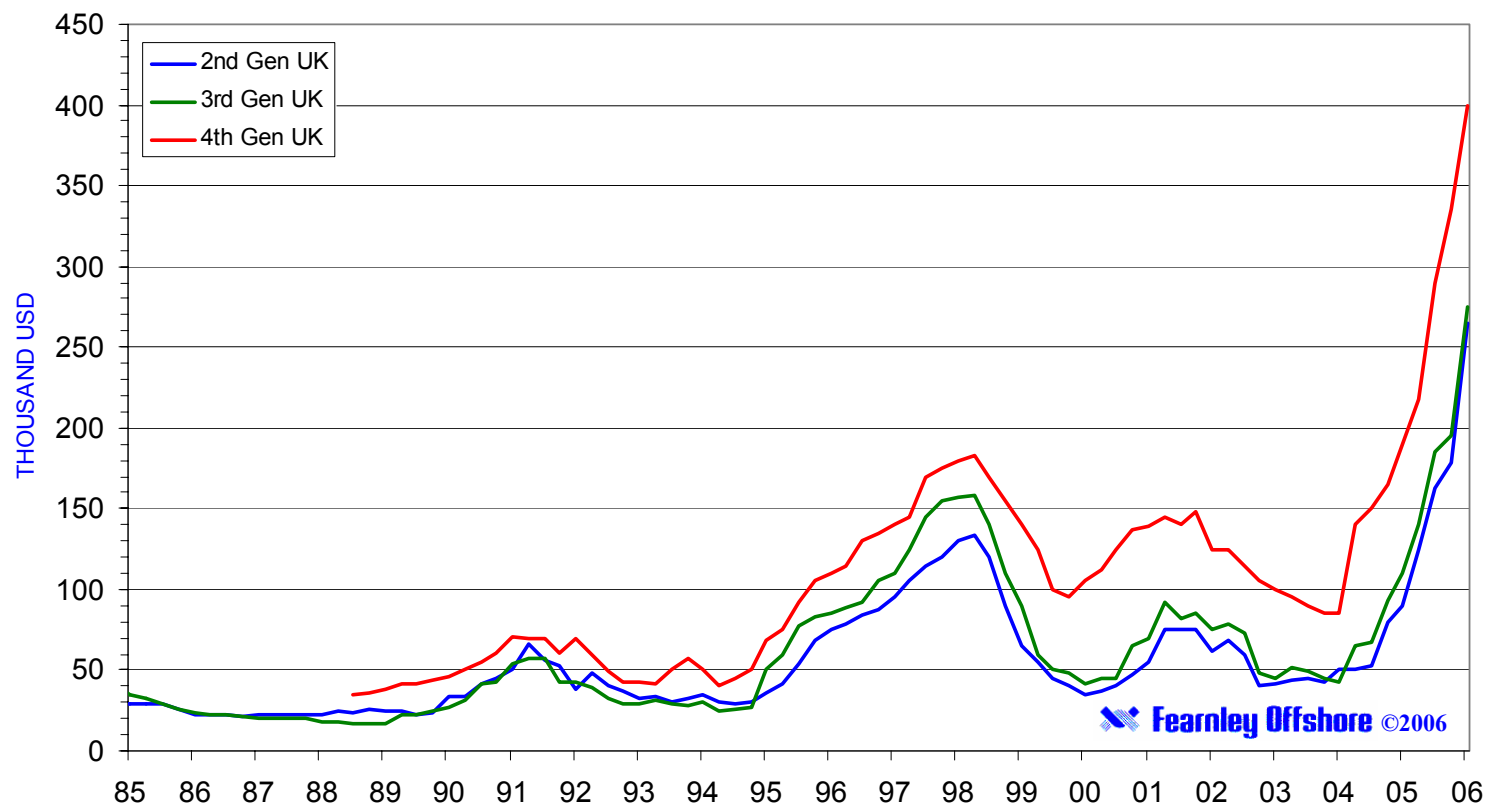


SUPPLY AND DEMAND NORTH SEA AREA SEMISUBMERSIBLE DRILLING UNITS



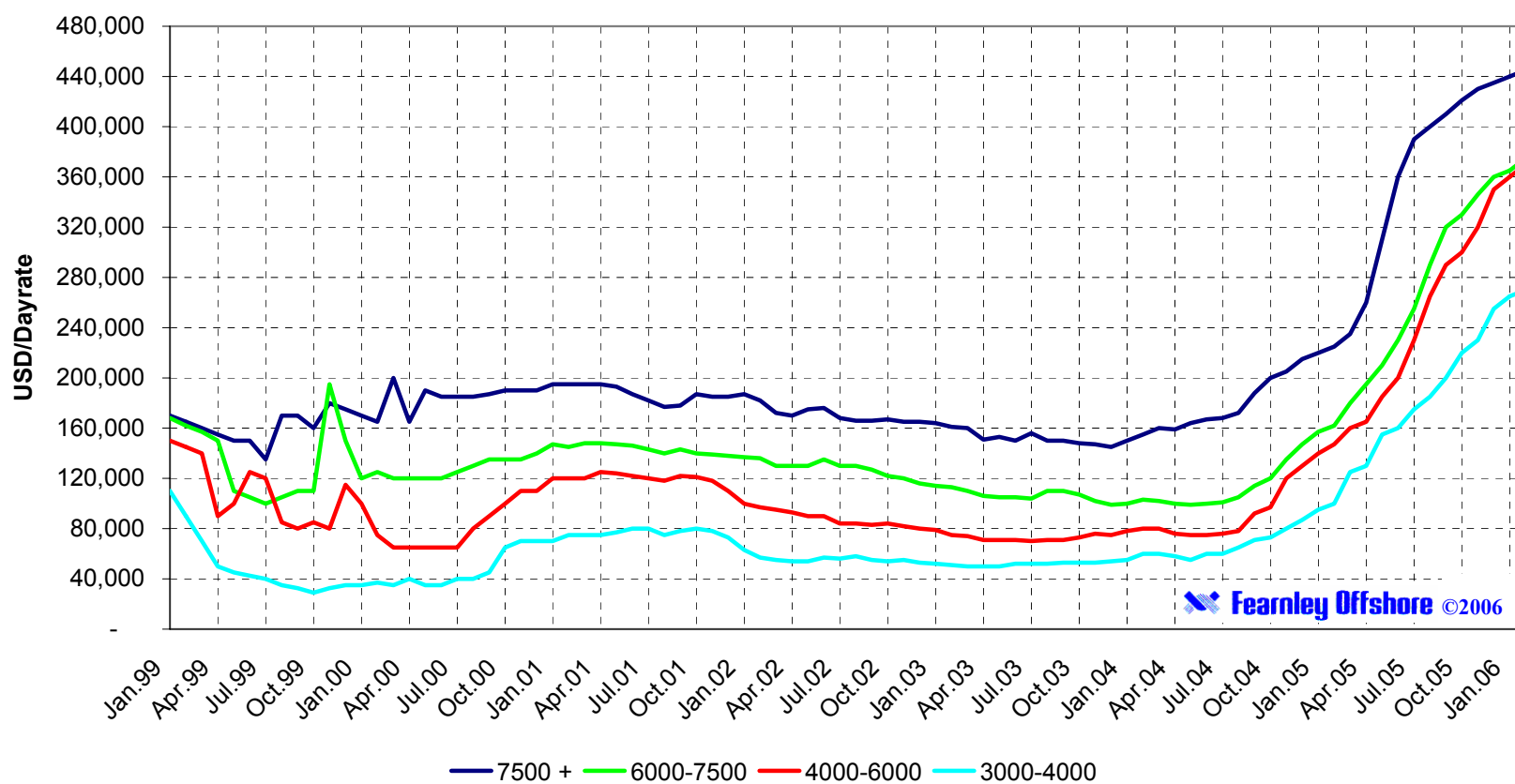
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AVERAGE DAYRATES UK SECTOR SEMI SUBMERSIBLE DRILLING UNITS

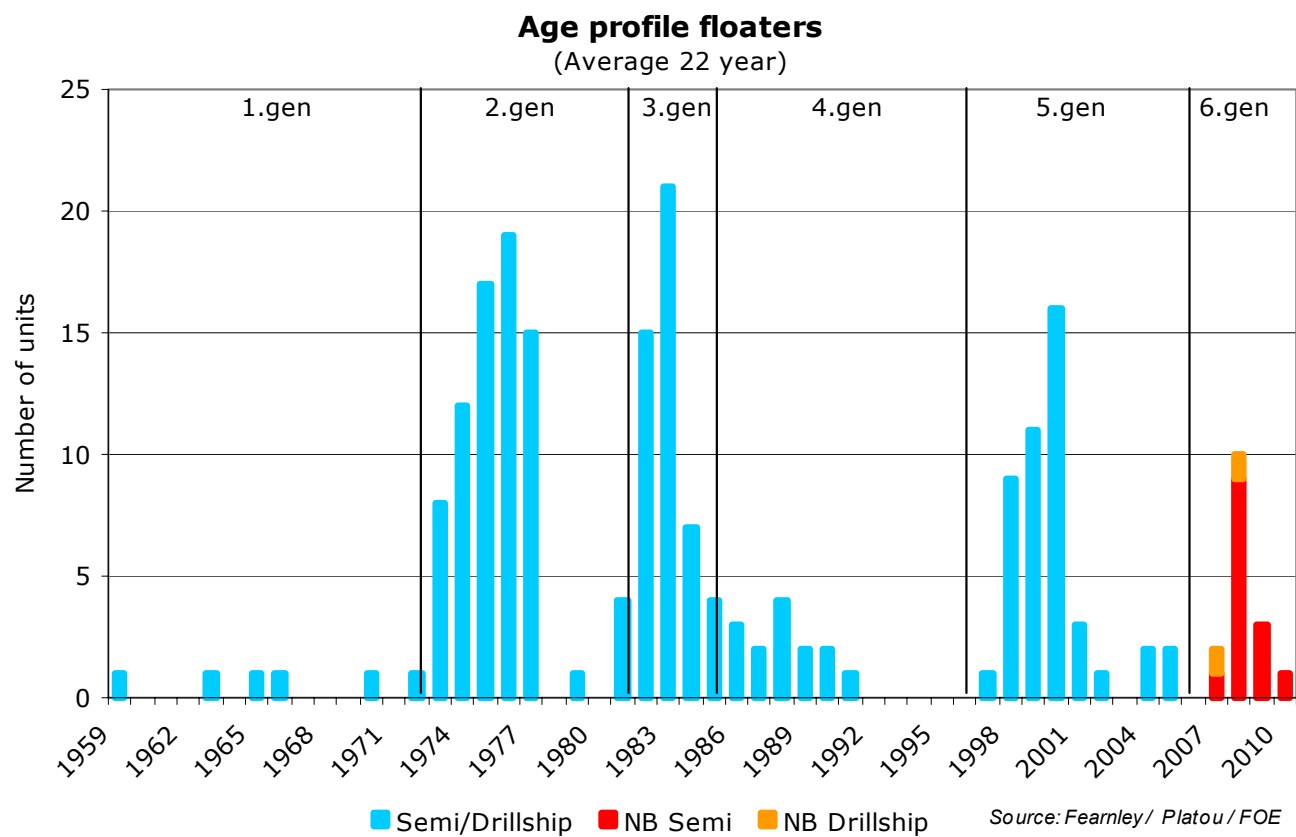


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Worldwide Deepwater Drilling Units Market Rate Assessment by Waterdepth Segment



Floaters fleet and newbuilds



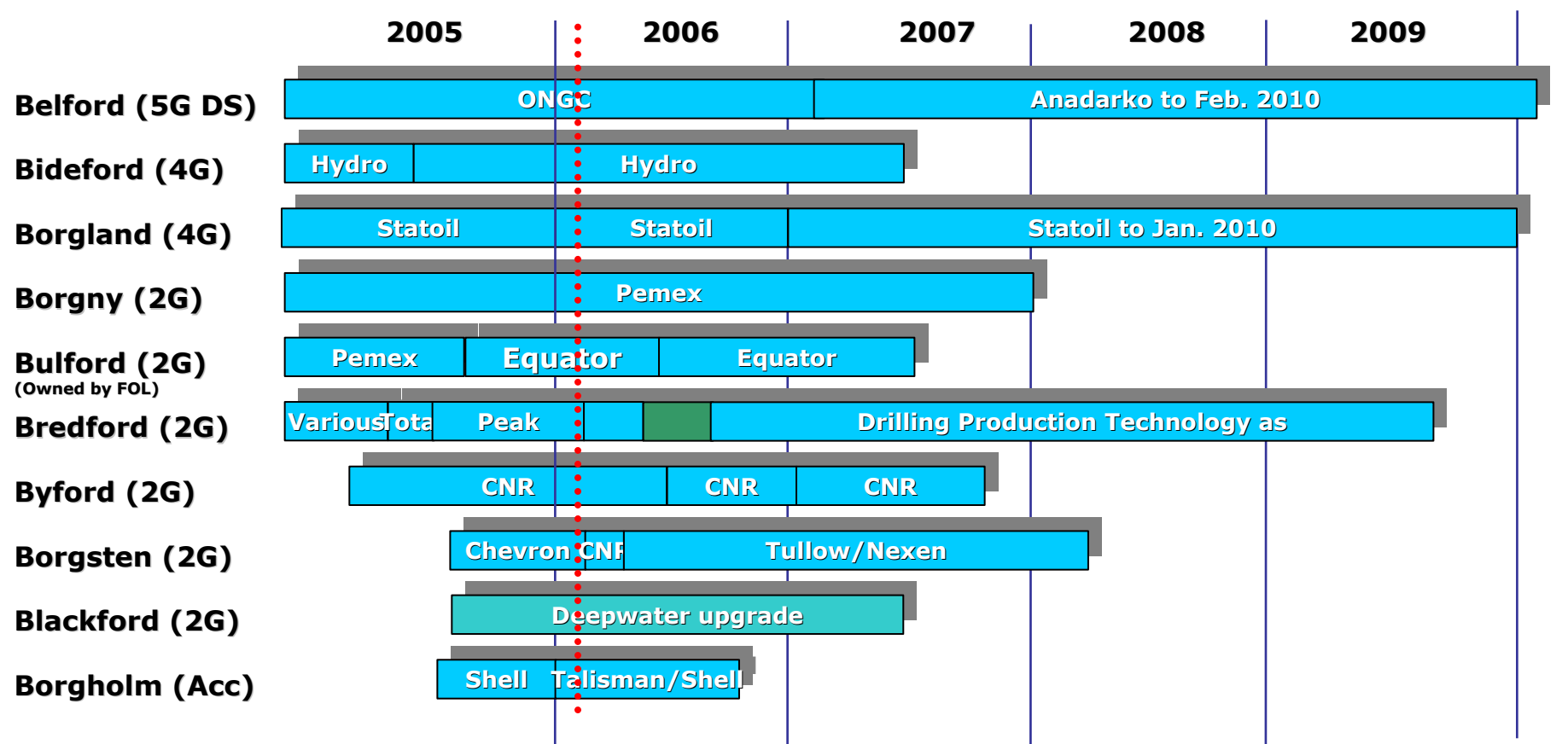
Additional
units in the
pipeline

- FINANCIAL RESULT 4Q05
- MARKETS
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Fred. Olsen Energy operating worldwide



Contract schedule (8 February 2006)



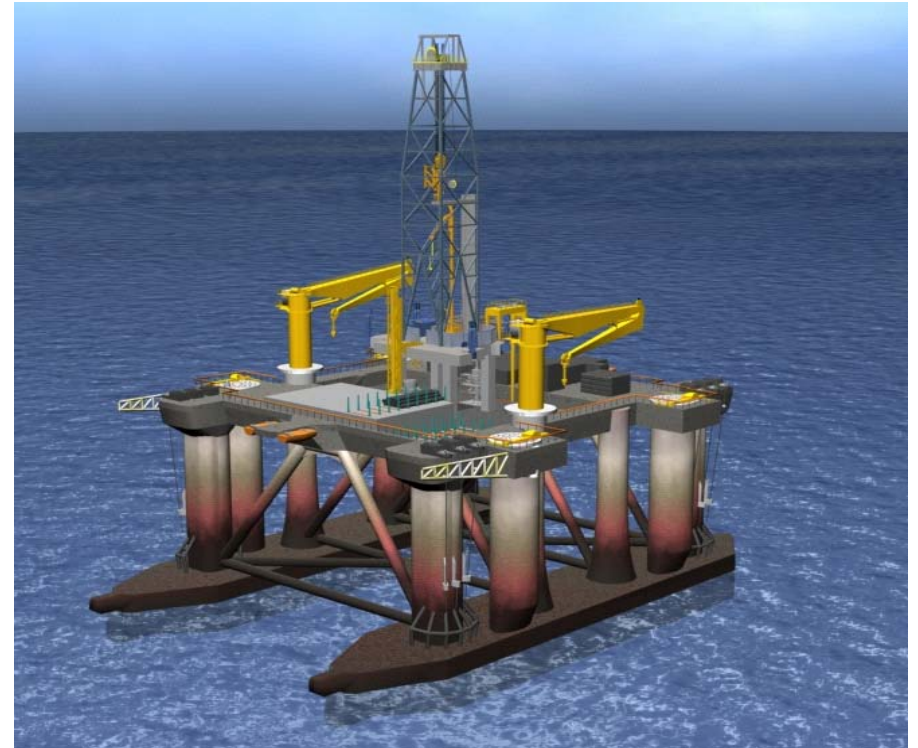
Average contract length: 27 months (Ex. Blackford)

 = Class Renewal Service

Blackford Dolphin - Deepwater upgrade

- 7 000 ft water depth
- 30 000 ft drilling depth
- 21" Deepwater Riser
- 15 ppg Mud Weight
- 15k, 18 ¾" BOP
- 120 berths (2-men Cabins)

- Engineering frozen
- All major equipment ordered



India

Belford Dolphin

- Continued operations for ONGC offshore India to early 2007
- Operating on the East side of India
- 3-years contract with Anadarko from early 2007
- Five-year class renewal survey completed
- Has extensive operating experience in ultra deepwater (3000m) operations



Norway

Bideford Dolphin

- Operating for Norsk Hydro offshore Norway
- Contracted to mid 2007
- Five-year class renewal survey completed in June 2004



Borgland Dolphin

- Operating for Statoil offshore Norway
- Contract with Statoil renewed from January 2007 to January 2010
- Five-year class renewal survey completed in December 2004



West Africa/Mexico

Bulford Dolphin

(Owned by FOL, operating in FOE pool)

- Operating offshore West Africa for Equator
- Contract duration to mid 2007



Borgny Dolphin

- Operating under a 4-years drilling contract with Pemex
- Contract duration to January 2008



United Kingdom

Byford Dolphin

- Completed its class RS and upgrading at Harland & Wolff in February 2005
- Working for CNR since February 2005
- Estimated available October 07



Borgsten Dolphin

- Working for Chevron/Texaco since July 2005
- 2 months drilling contract for CNR commencing March 2006
- 720 days drilling contract for Tullow/Nexen, commencing May 2006



United Kingdom (cont.)

Bredford Dolphin

- 7 months contract for Peak Well Management, commenced June 2005
- 3 months contract for Oilexco, commencing late March
- 60-90 days CRS/Upgrade for Norway
- 3 Years contract for DPT in Norway, commencing August/September 2006



Borgholm Dolphin

- Aker H-3 accommodation rig with 600 bed capacity. Class renewed and accommodation refurbished in 2002
- 6 months contract for Shell U.K. Ltd., commenced July 2005
- 25 days standby, Jan/Feb 06
- 7.5 months contract for Talisman and Shell U.K. Ltd., commencing mid February



Harland & Wolff

- Company continues to focus on ship repair, steel fabrication and engineering services
- Currently supporting installation of an offshore wind farm for MPI



Summary and outlook

- Strong markets
- Lead times increase
- Secured contracts for USD 1.750 million since the start of 2005
- Significant increase in earnings during the next years
- All units in operations (ex. Blackford Dolphin)
- Average contract duration: 27 months
- Five available units in 2007