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roxar
MAXIMUM RESERVOIR PERFORMANCE

Interim Report + Interim Condensed Financial Information

for the period ended June 30, 2008

Interim Report 2nd Quarter 2008

Effective 25 July 2007, CorrOcean ASA acquired all the shares of Roxar AS. Subsequently, the name of the company has been changed to Roxar ASA. The 2007 numbers in this report include 5 months of the acquired Roxar AS. Proforma effects from the acquisition of Roxar AS are presented in note 4.

Condensed consolidated income statements

Second quarter results
Roxar's second quarter 2008 result had continued strong revenue in software but weaker revenue than expected in hardware, due to the absence of single large subsea contracts. Software revenues in the second quarter 2008 was NOK 90.8 million, and this represents an increase of 33% compared to the second quarter in 2007 (proforma). Hardware revenues in the second quarter 2008 were down 9% compared to the same quarter in 2007 (proforma). Consolidated revenues for the second quarter of 2008 amounted to NOK 311.9 million compared to NOK 310.8 million for the second quarter in 2007 (proforma).

The second quarter 2008 operating profit (EBITDA) was NOK 52.0 million, and this represents an increase of 36.4% compared the second quarter in 2007 (proforma). The main reason behind this increase is strong performance by the Software division and a steady underlying performance from the Hardware division. 'The financial performance of Roxar in the second quarter 2008 demonstrates the breadth of the company and the underlying strength of the business, through a strong EBITDA in the absence of significant subsea awards', says Roxar CEO Gunnar Hviding.

Net financial cost for the second quarter 2008 was NOK 26.6 million compared to a net financial cost of NOK 6.3 million for the second quarter in 2007 (proforma). The increase in cost of NOK 20.3 million was mainly caused by decreased unrealized gains from external USD loans.

Operating cash flow in the second quarter was NOK 81.8 million and this represents an increase of NOK 87.0 million compared to the second quarter of 2007 (proforma). Roxar focus continuously on optimising cash flows, however, the strong second quarter operating cash flow is partly a result of product mix and slower growth than historically.

Interim Report 2nd Quarter 2008

Operations

Overall

The activity level year to date has been lower than expected in the hardware division, resulting from a slower than expected market in subsea contract awards. The company expected a higher activity level in the first half of 2008, and consequently had planned in a higher cost base. However, margins in the hardware division were relatively well preserved due to continually ongoing improvement programmes. The software division posted record sales, and this combined with internal cost optimisation programmes in the software division led to this division's strongest financial performance ever.

Hardware Division (proforma discussion)

Topside

Year to date, sales of Topside products shows a 28% growth over the same period last year. The Saudi market has been relatively over represented as a percentage of global sales for the industry, and the company's topside activity level has therefore varied dependent on contract award from this market. The large and singular nature of this marked has however led to a stronger margin pressure in the Saudi market, and the financial results are therefore more affected by activity level in the rest of the global market. Year to date, the topside sales to the Middle East region has amounted for around 40%, which is within the normal levels.

Roxar sees the Topside market as a huge and relatively untapped potential, with major oil producing countries and provinces still in the early stages of technology adoption. In order to raise margins and drive market penetration, Roxar will launch a 4th generation meter in 2009, with unparalleled measurement capabilities at lower cost. The aim is to make multiphase metering an everyday solution in the oil and gas industry, like pressure and temperature transmitters are today.

We expect the Topside market growth to be strong in the coming years, and that the uptake period to continue over the next decade.

Subsea

A continued delay in Subsea is the only issue that clouds the second quarter financial performance in the hardware division. As a result, the year to date 2008 revenues from this segment is down 34% from last year, when 2007 commenced with full order books. Roxar has reason to believe that the company can announce some larger Subsea contracts in third quarter 2008 and we see a strong outlook for this market in 2009 and 2010. This expectation is confirmed by clients who re-iterate this view of the market.

Downhole

The downhole business had a strong second quarter 2008 with all geographic regions showing strong growth over previous quarter. However, a slow start to the year in the North Sea made the year to date 2008 revenues lag last year by 10%.

The uptake of High Pressure/High Temperature systems is progressing as planned. The outlook for the rest of the year is good with good visibility.

Services

Roxar's service business continues the strong growth witnessed over many years. Year to date 2008, revenue was up 49% over previous year. The Service business contains installation and preventive maintenance services, data validation service and customer training. The service business is a good gauge for the level of latent product demand, as product sales are choppier than services. Recent client surveys performed by Roxar confirm that service is the most important performance factor to the company's clients.

Software Division (proforma discussion)

License sales and leases
Demand for all Roxar's software products remained high in the second quarter and for the year to date as a whole. Large strategic contracts have been secured for the entire product portfolio through first half of 2008. Sales of other products than the flagship RMS reservoir modeling software, like Tempest Reservoir simulation and EnAble are showing strong growth. This growth can mainly be contributed to better sales planning and execution.

The outlook for the rest of the year is positive. The company is working on securing significant contracts for the rest of the year. The company is also well under way to implement significant improvements in its product development and sales execution. Better utilisation of resources and a clear resource allocation is already now contributing to the improved bottom line.

Maintenance
Maintenance revenue increased from previous quarter but remain relatively flat year over year. However, as more sales are converted from licence sales to lease, the underlying maintenance is strong and retention rates close to 100%.

Services
The second quarter 2008 had significantly lower revenues than the previous quarter, predominantly due to periodisation of revenue and a smaller percentage of field study work versus support work.

The company is well under way to execute on its strategy announced in first quarter to make the company's service and support offering more efficient. Better planning tools is a key element in this strategy to lift the profitability of this business. The second quarter underlying performance indicators give clear evidence that the implemented measures are yielding financial results and the company expect this area to generate higher revenues and profit going forward.

Just as important is that better planning gives the pool of highly trained scientists and engineers a more meaningful and predictable daily life as well as lifting the company's ability to deliver as promised to its customers.

Outlook and Strategy

Outlook for all the company's product lines looks positive for the next coming years. Roxar has experienced significant growth for the last 15 years, the current market is strong and the company's competitive position is unaltered. The company's growth rate has been significantly slower the last year than historical growth, but the company see no fundamental factors which contribute to this effect.

Factors which can negatively impact the financial result are further delays or losses of Subsea orders, particularly in the third quarter. So far, the company see delays in contract awards as the greatest threat. The delays which have impacted the company the most are delays induced by decision making processes with the operators and their partners or government, not capacity constraints on the EPC contractors or drilling companies.

The oil price is not expected to significantly affect the company's performance, either on the up- or down side, a view that can be supported by the company's long term performance.

The company's strategy is to continue to be the market leading company within the area of reservoir management and production optimisation for the oil and gas industry. This position will be maintained through highly motivated and innovative people and sound management execution.

Stavanger, 18 August 2008
The Board of Directors
Roxar ASA

Questions should be directed to Roxar ASA management represented by:

Gunnar Hviding, CEO
Even Gjesdal, CFO

Profit & Loss Statement

CONDENSED CONSOLITATED

AMOUNTS IN NOK 1 000	2Q 2008	1Q 2008	2Q 2007	YTD 2008	YTD 2007	2007
Revenue	311 924	303 321	45 430	615 245	84 385	605 592
Cost of goods sold	99 542	97 774	21 250	197 316	39 336	236 029
Personnel expenses	116 318	113 624	12 023	229 942	23 628	248 391
Other operating expenses	44 066	43 409	5 280	87 475	11 862	90 608
Operating profit before depreciation / EBITDA	**51 999**	**48 513**	**6 877**	**100 512**	**9 560**	**30 564**
Depreciation and amortisation	34 133	32 456	639	66 590	951	56 073
Operating profit	**17 865**	**16 057**	**6 239**	**33 923**	**8 609**	**-25 509**
Financial income	20 314	95 898	325	116 212	881	101 881
Financial cost	-46 956	-76 405	-1 262	-123 361	-2 516	-97 066
Net financial income / (costs)	-26 641	19 493	-937	-7 149	-1 635	4 815
Profit before income tax	-8 776	35 550	5 302	26 774	6 974	-20 694
Income tax expense	2 976	-10 953	-1 494	-7 977	-1 663	8 608
Net profit	**-5 800**	**24 598**	**3 808**	**18 797**	**5 311**	**-12 086**
Attributable to:						
Majority interest	-6 019	24 560	3 531	18 541	4 857	-12 611
Minority interest	219	38	277	257	454	525
Earnings per share for profit attributable to the equity holders of the company						
(Expressed in NOK per share)						
Basic	-0.02	0.10	0.07	0.08	0.10	-0.09
Diluted	-0.10	0.10	0.07	0.00	0.10	-0.09

Segment Information

CONDENSED CONSOLITATED

AMOUNTS IN NOK 1 000	2Q 2008	1Q 2008	2Q 2007	YTD 2008	YTD 2007	2007
FLOW MEASUREMENT						
Revenues	221 137	216 863	45 430	438 000	84 385	490 549
EBITDA before allocations of administrative expenses	40 431	40 390	6 877	80 821	9 560	58 321
Allocations of administrative expenses	17 553	15 117	-	32 670	-	20 716
EBITDA after allocations	22 879	25 273	6 877	48 152	9 560	37 605
Profit Margin	10%	12%	15%	11%	11%	8%
Ordertake / Bookings	248 046	119 916	37 039	367 962	75 768	385 584
Backlog	359 262	313 961	33 467	359 262	33 467	325 696
Number of Employees	464	451	76	464	76	465
SOFTWARE SOLUTIONS						
Revenues	90 787	86 458	-	177 245	-	115 043
EBITDA before allocations of administrative expenses	41 848	34 804	-	76 651	-	10 632
Allocations of administrative expenses	7 459	7 866	-	15 325	-	14 494
EBITDA after allocations	34 389	26 938	-	61 327	-	-3 862
Profit Margin	38%	31%	-	35%	-	-3%
Ordertake / Bookings	49 433	42 566	-	91 999	-	9 491
Backlog	76 267	48 008	-	76 267	-	47 636
Number of Employees	240	231	-	240	-	243
OTHER / NOT ALLOCATED						
EBITDA before allocations of administrative expenses	-30 280	-26 680	-	-56 961	-	-38 390
Allocations of administrative expenses	-25 012	-22 983	-	-47 995	-	-35 210
EBITDA after allocations	-5 269	-3 697	-	-8 966	-	-3 180
Number of Employees	94	89	-	94	-	90
GROUP						
Revenues	311 924	303 321	45 430	615 245	84 385	605 592
EBITDA before allocations of administrative expenses	51 999	48 513	6 877	100 512	9 560	30 563
Allocations of administrative expenses	-	-	-	-	-	-
EBITDA after allocations	51 999	48 513	6 877	100 512	9 560	30 563
Profit Margin	17%	16%	15%	16%	11%	5%
Ordertake / Bookings	297 479	162 482	37 039	459 961	75 768	395 075
Backlog	435 529	361 969	33 467	435 529	33 467	373 332
Number of Employees	798	771	76	798	76	798

Balance Sheet

CONSOLITATED

AMOUNTS IN NOK 1 000	30.06.08	30.06.07	31.12.07
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	44 044	4 959	43 371
Goodwill	1 222 547	-	1 204 615
Intangible assets	997 333	20 873	994 533
Investments in subsidiaries	-	41 422	-
Deferred income tax assets	3 176	14 568	3 176
Other long-term receivables	8 064	185	8 957
Total non-current assets	**2 275 164**	**82 007**	**2 254 652**
CURRENT ASSETS	146 502	15 137	134 204
Inventories			
Earned, not invoiced revenue on construction contracts	93 206	58 559	151 546
Trade receivables	263 422	39 724	233 699
Other receivables	79 901	3 122	64 758
Cash and cash equivalents	133 996	804	170 120
Total current assets	**717 028**	**117 346**	**754 327**
Total assets	**2 992 192**	**199 353**	**3 008 979**

AMOUNTS IN NOK 1 000	30.06.08	30.06.07	31.12.07
EQUITY & RESERVES			
CAPITAL ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY			
Share capital	243 497	53 185	238 783
Share premium reserve	944 986	53 108	921 450
Other paid-in equity	27 938	-	27 938
Retained earnings	-14 213	-14 448	-31 653
Minority interest in equity	6 313	5 985	6 056
Total equity	**1 208 521**	**97 830**	**1 162 574**
LIABILITIES			
NON-CURRENT LIABILITIES			
Deferred income tax liabilities	302 338	-	287 567
Covertible loan	160 208	-	155 246
Pension obligations	42 382	5 504	41 299
Provisions for other liabilities and charges	5 534	6 072	7 688
Borrowings	914 167	-	-
Total non-current liabilities	**1 424 628**	**11 576**	**491 800**
CURRENT LIABILITIES			
Accounts payable	58 825	21 975	89 748
Public duties payables	24 837	-421	18 373
Other short term debt	172 242	54 069	161 832
Current income tax liabilities	3 139	277	4 325
Borrowings	100 000	14 047	1 080 327
Total current liabilities	**359 043**	**89 947**	**1 354 605**
Total liabilities	**1 783 671**	**101 523**	**1 846 405**
Total equity and liabilities	**2 992 192**	**199 353**	**3 008 979**

Statement of Changes in Equity

CONDENSED CONSOLITATED

AMOUNTS IN NOK 1 000	30.06.2008	30.06.2007	31.12.2007
Equity at the beginning of the year	**1 162 574**	**82 139**	**82 139**
Shares issued in connection with acquisition of Mareco	-	5 655	5 655
Shares issued in connection with employee	5 003	-	-
Shares issued in connection with acquisition of PolyOil Ltd	23 247	-	-
Minority share of Mareco	-	5 531	5 531
Share issued in connection with acquisition of Roxar	-	-	1 113 588
Share issuance costs	-	-	-82 844
Deferred tax from share issuance costs	-	-	23 196
Convertible bond	-	-	41 699
Transaction costs related to convertible bond	-	-	-2 085
Deferred tax related to convertible debt	-	-	-11 676
Currency translation differences	-1 100	-806	-543
Profit for the year	18 797	5311	-12 086
Equity at the end of the period	**1 208 521**	**97 830**	**1 162 574**

Cash Flow Statement

CONDENSED CONSOLIDATED

AMOUNTS IN NOK 1 000	2Q 2008	1Q 2008	2Q 2007	YTD 2008	YTD 2007	2007
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before income tax	-8 776	35 550	5 302	26 774	6 974	-20 694
Income tax paid	-	-	-	-	-	-
Ordinary depreciation and amortisation	34 133	32 456	638	66 589	950	56 073
Write-down of borrowing costs	10 842	6 527	-	17 369	-	13 238
Interest payable	22 617	24 473	56	47 090	136	54 888
Interest income	-653	-1 865	-217	-2 518	-456	-6 287
Change in working capital						
Change in accounts receivables	-10 404	-14 668	-3 910	-25 072	1 713	79 304
Change in inventories	24 777	-35 680	-1 195	-10 903	-2 141	5 918
Change in work in progress	59 180	-840	-6 217	58 340	-18 344	7 409
Change in accounts payables	-24 774	-9 810	5 799	-34 584	4 856	22 615
Change in other items	-25 190	-46 768	-6 791	-71 958	2 023	-62 662
Net cash generated from operating activities	**81 753**	**-10 626**	**-6 535**	**71 127**	**-4 289**	**149 803**
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchase of property, plant & equipment	-4 770	-3 932	-2 244	-8 702	-2 159	-7 896
Capitalized development cost	-11 045	-8 405	315	-19 450	-2 575	-18 452
Net purchase of shares in other companies	-333	-25 217	1 660	-25 550	-15 238	-2 265 036
Net cash used in investing activities	**-16 148**	**-37 554**	**-269**	**-53 702**	**-19 972**	**-2 291 384**
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from borrowings	359 250	-	6 001	359 250	6 001	1 164 532
Repayment, part of bridge facility	-371 968	-	-	-371 968	-	-
Interest payable	-22 617	-24 473	-56	-47 090	-136	-54 888
Interest income	653	1 865	217	2 518	456	6 287
Equity issue	-	5 003	-	5 003	5 655	1 113 589
Issue costs	-	-	-	-	-	-82 844
Convertible bond (debt)	-	-	-	-	-	158 301
Convertible bond (equity)	-	-	-	-	-	41 699
Transaction costs	-	-	-	-	-	-34 707
Other long term receivables / payables	-7 097	5 835	234	-1 262	537	1 226
Net cash used in financing activities	**-41 779**	**-11 770**	**6 396**	**-53 549**	**12 513**	**2 313 195**
Net increase in cash, cash equivalents and bank overdrafts	**23 826**	**-59 950**	**-408**	**-36 124**	**-11 748**	**171 614**
Cash, cash equivalents and bank overdrafts at beginning of period	110 170	170 120	-12 836	170 120	-1 494	-1 494
Cash, cash equivalents and bank overdrafts at end of period	**133 996**	**110 170**	**-13 243**	**133 996**	**-13 243**	**170 120**

Notes

1 BASIS FOR PREPARATION

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) IAS34 Interim Financial Reporting. The accounts do not include all of the information required for full annual consolidated financial statements, and should be read in conjunction with consolidated financial statements of the Group as of and for the year ended 31 December 2007. The condensed consolidated interim financial statements have not been audited.

2 BUSINESS COMBINATIONS

On 3 March 2008 Roxar ASA signed a contract to acquire 100% of the shares in PolyOil Ltd. The purchase price is based on an entity value of NOK 56.1 million (GBP 5.25 million) net of interest bearing debt and cash, whereby NOK 23.2 million have been settled by issuing shares in Roxar ASA as compensation and the remaining amount has been settled in cash.

PolyOil Ltd. is based in Aberdeen and the company is market leader within design, development and delivery of polymer based downhole products for the oil and gas industry.

Roxar has performed a preliminary purchase price allocation of the cost of the business combinations to the assets acquired and liabilities and contingent liabilities assumed in accordance with IFRS 3. The preliminary purchase price allocation has been determined with excess value of NOK 45.3 million.

The balance sheet of the acquired PolyOil business is included in the consolidated balance sheet of Roxar ASA as per 3 March 2008 as follows:

AMOUNTS IN NOK 1 000	PURCHASE PRICE
The net assets and goodwill arising from the acquisition are as follows:	
Cash amount	32 847
Payment in Roxar ASA shares with 3.879.670 shares * 5,992	23 247
Direct costs related to the acquisition	548
Total costs	56 642
Fair value of net assets	38 710
Goodwill	17 932

AMOUNTS IN NOK 1 000	BOOK VALUE OF ACQUIRED COMPANY	FAIR VALUE
The net assets and goodwill arising from the acquisition are as follows:		
Intangible assets	-	39 049
Fixed assets	2 498	2 498
Inventory	1 395	1 395
Accounts receivable	4 651	4 651
Cash	7 844	7 844
Other short term receivable	79	79
Total assets	16 468	55 517
Deferred tax	-	11 715
Creditors – Long term	1 556	1 556
Accounts payable	3 661	3 661
Taxation	-124	-124
Total liabilities	5 093	16 808
Net assets	11 375	38 710

The profit after tax from PolyOil for the period since the acquisition, included in the consolidated profit and loss statement, is NOK 0.9 million.

3 REFINANCING

In May 2008, Roxar issued a NOK 400 million subordinated bond to refinance part of the company's USD 117 million short-term bank debt. The underwriting syndicate consisted mainly of larger shareholders.

The Subordinated bond of NOK 400 million will mature in May 2013 and carry a coupon of NIBOR + 700bps for the first two years with a step-up to NIBOR + 1000bps for the remaining 36 months. Interest will accrue quarterly, and is to be paid in kind, in the form of the issue of additional bonds. A 2.5% commitment fee was paid up front. In addition, the company paid an underwriting fee of 2.5% to the underwriters. Roxar may call the bonds at any time at decreasing rates starting at 106% of par value and decreasing by 0.25 percentage points per month until 24 months after settlement date, after which the bonds will be callable at par value.

The remaining part of the short term loan of USD 117 million has been converted to a USD 44 million term loan. The new term Loan shall be repaid in eight quarterly instalments each in the amount of USD 3 million and thereafter four quarterly instalments each in the amount of USD 4 million. The first instalment shall be payable in June 2009. The interest margin will, depending on the ratio between interest bearing debt and EBITDA, be between 1.75 - 3.75%. Based on the company's financial performance per 30 June 2008, the interest margin related to the bank loans is 3.75%. In connection with the refinancing, Roxar had to pay a structuring, extension and waiver fee to the banks of NOK 5.7 million.

4 PRO FORMA INFORMATION INCLUDING ACQUISITION OF ROXAR

Pro forma Condensed Consolidated Profit & Loss statement

AMOUNTS IN NOK 1 000	2Q 2008	1Q 2008	2Q 2007	YTD 2008	YTD 2007	2007
Revenues	311 924	303 321	310 828	615 245	612 629	1 208 801
Operating profit before deprectian / EBITDA	**51 999**	**48 513**	**38 127**	**100 512**	**81 504**	**112 390**
Depreciation	5 271	5 257	5 219	10 527	10 435	21 883
Amortization	28 863	27 198	27 001	56 061	54 002	108 288
Operating profit	**17 865**	**16 058**	**5 907**	**33 924**	**17 066**	**-17 780**
Financial income	20 314	66 172	35 725	86 486	66 279	162 603
Financial cost	-46 956	-46 679	-34 110	-93 635	-72 556	-153 357
Profit before tax expenses before discontinued operations	**-8 776**	**35 551**	**7 522**	**26 775**	**10 788**	**-8 535**
Tax expenses	2 976	-10 953	-7 569	-7 977	-6 130	127
Profit before discontinued operations	**-5 800**	**24 598**	**-47**	**18 798**	**1 780**	**-8 661**
Discontinued operations	-	-	18 648	-	18 144	17 557
Net profit	**-5 800**	**24 598**	**18 601**	**18 798**	**19 924**	**8 896**

Notes

Pro forma Condensed Revenue per segment

AMOUNTS IN NOK 1 000	2Q 2008	1Q 2008	2Q 2007	YTD 2008	YTD 2007	2007
Flow Measurement	**221 137**	**216 863**	**242 726**	**438 000**	**463 435**	**926 596**
- Topside	51 718	78 870	52 135	130 588	102 144	222 655
- Subsea	69 928	78 838	112 891	148 766	225 491	399 359
- Downhole	44 575	22 441	43 200	67 016	74 200	171 418
- Services	54 916	36 714	34 500	91 630	61 600	133 164
Software Solutions	**90 787**	**86 458**	**68 103**	**177 245**	**149 194**	**282 204**
- Sales / leases	50 850	40 769	22 627	91 619	57 792	107 873
- Maintenance	24 283	19 272	22 546	43 555	42 860	85 163
- Services	15 653	26 417	22 930	42 070	48 543	89 168
Total revenue	**311 924**	**303 321**	**310 828**	**615 245**	**612 629**	**1 208 801**

Pro forma Condensed EBTIDA per segment

AMOUNTS IN NOK 1 000	2Q 2008	1Q 2008	2Q 2007	YTD 2008	YTD 2007	2007
FLOW MEASUREMENT						
Revenues	221 137	216 863	242 726	438 000	463 435	926 596
EBITDA before allocations of administrative expenses	40 431	40 390	47 454	80 821	85 316	148 540
Allocations of administrative expenses	17 553	`15 117	12 814	32 670	24 499	49 167
EBITDA after allocations	22 879	25 273	34 640	48 152	60 817	99 373
Profit Margin	10%	12%	14%	11%	13%	11%
SOFTWARE SOLUTIONS						
Revenues	90 787	86 458	68 103	177 245	149 194	282 204
EBITDA before allocations of administrative expenses	41 848	34 804	16 133	76 651	45 199	60 331
Allocations of administrative expenses	7 459	7 866	8 309	15 325	16 358	34 087
EBITDA after allocations	34 389	26 938	7 824	61 327	28 841	26 244
Profit Margin	38%	31%	11%	35%	19%	9%
OTHER / NOT ALLOCATED						
EBITDA before allocations of administrative expenses	-30 280	-26 680	-25 458	-56 961	-49 010	-96 482
Allocations of administrative expenses	-25 012	-22 983	-21 123	-47 995	-40 857	-83 255
EBITDA after allocations	-5 269	-3 697	-4 335	-8 966	-8 153	-13 227

Pro forma Condensed EBTIDA per segment > continued

AMOUNTS IN NOK 1 000	2Q 2008	1Q 2008	2Q 2007	YTD 2008	YTD 2007	2007
GROUP						
Revenues	311 924	303 321	310 828	615 245	612 629	1 208 801
EBITDA before allocations of administrative expenses	51 999	48 513	38 127	100 512	81 504	112 390
Allocations of administrative expenses	-	-	-	-	-	-
EBITDA after allocations	51 999	48 513	38 127	100 512	81 504	112 390
Profit Margin	17%	16%	12%	16%	13%	9%

Basis for preparation

The unaudited pro forma financial information has been compiled in connection with the acquisition of Roxar AS to illustrate what the main effects would be on the consolidated profit and loss statement for 2007 for Roxar ASA if the transaction had occurred at an earlier period.

Pro forma accounting principles

The unaudited pro forma financial information has been compiled using accounting principles that are consistent with Roxar ASA (International Financial Reporting Standards - IFRS). These accounting principles are described in the Company's 2007 annual report.

The unaudited pro forma financial information has been prepared for illustrative purposes only. Because of its nature it addresses a hypothetical situation and therefore does not represent the Company's actual financial position or results. There is a greater degree of uncertainty associated with pro forma figures than with actual reported results.

Sources of pro forma financial information – historical financial information

The unaudited pro forma financial information has been compiled based on the audited financial statements of Roxar ASA for the financial year ended 31 December, 2007 and the unaudited interim financial report of Roxar ASA (IFRS) and the unaudited interim financial report of Roxar AS (IFRS) for the quarter and first half ended 30 June 2007.

Basis for preparation of the unaudited pro forma financial information

Roxar ASA acquired all the shares in Roxar AS on 25 July 2007.

Roxar ASA acquired 70% of the shares in Mareco AS on 1 March 2007 and this is included in Roxar ASA's unaudited interim financial report for Q2 2008. The acquisition is not directly attributable to the transaction that requires pro forma financial information and no pro forma adjustments have been made for this acquisition in the pro forma financial information presented.

Roxar ASA acquired 100% of the shares in PolyOil Ltd on 3 March 2008 and this is included in Roxar ASA's unaudited interim financial report for Q2 2008 from 3 March 2008. The acquisition is not directly attributable to the transaction that requires pro forma financial information and no pro forma adjustments have been made for this acquisition in the pro forma financial information presented.

Board and management confirmation

We confirm that, to the best of our knowledge, the enclosed condensed set of financial statements for the first half year of 2008 which has been prepared in accordance with IAS 34 Interim Financial Statements gives a true and fair view of the Company's consolidated assets, liabilities, financial position and results of operations, and that the interim management report includes a fair review of the information required under the Norwegian Securities Trading Act section 5-6 fourth paragraph.

Stavanger, 18 August 2008

/s/ Hans Olav Torsen
Chairman

/s/ Kaare M. Gisvold
Board Member

/s/ Marit Jannecke Olstad
Board Member

/s/ Maria N. Pedersen
Board Member

/s/ Svein O. Eimhjellen
Board Member

/s/ Gunn-Jane Håland
Board Member

/s/ Eli Skyberg
Board Member

/s/ Johan Fredrik Odfjell
Board Member

/s/ Morten Bergesen jr.
Board Member

/s/ Gunnar Hviding
Managing Director

The power of respect. Improving financial performance through quantifying risk. Ormen Lange's need for accuracy. Strengthening Norway's technology cluster. A complete picture of the reservoir. Maximum reservoir performance. Better decision-making at all levels. A business model built on innovation. Turning raw data into information. Integrated Reservoir Production Management system. Securing a sustainable gas supply in Tunisia. Optimizing production. Unlocking productivity in assets and people. Leveraging investments. Excellence. Make sure it's Roxar.

roxar
MAXIMUM RESERVOIR PERFORMANCE

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