

Fred. Olsen Energy ASA

1Q 2009 presentation

April 30, 2009



AGENDA

- **FINANCIAL RESULT 1Q 2009**
- MARKETS
- OPERATIONS
- SUMMARY AND OUTLOOK

Income Statement – Key Figures

(NOK mill)	1Q 2009	4Q 2008
Operating revenues	2 030	2 014
Recharged income	78	72
Total revenues	2 108	2 086
Operating costs	(581)	(657)
Recharged expenses	(76)	(67)
Oper. result before depr. (EBITDA)	1 451	1 362
Depreciation	(252)	(269)
Impairment	-	(35)
Operating result (EBIT)	1 199	1 058
Net financial items	(52)	(438)
Result before tax	1 147	620
Estimated tax	(33)	(8)
Net result	1 114	611

Comparison of 1Q 2009 versus 4Q 2008 EBITDA

EBITDA 1Q 2009 vs. 4Q 2008		
EBITDA 4Q		1361
Positive:		
	Blackford Dolphin	63
	Borgny Dolphin	43
	Other	42
Negative:		
	Harland&Wolff	(27)
	Borgsten Dolphin	(32)
EBITDA 1Q		1450

Financial Items Breakdown

(NOK mill)	1Q 2009	4Q 2008
Interest income	7	10
Gains on financial instruments	59	-
Other financial income	-	2
Financial income	66	12
Interest expenses	(71)	(97)
Losses on financial instruments	(11)	(295)
Other financial expenses	(8)	(8)
Financial expenses	(90)	(400)
Net foreign currency gain/(loss)	(28)	(50)
Net financial items	(52)	(438)

Offshore Drilling Segment

(NOK mill)	1Q 2009	4Q 2008
Operating revenues	1 982	1 957
Recharged income	78	72
Total revenues	2 060	2 029
Operating costs	(540)	(632)
Recharged expenses	(76)	(67)
Oper. result before depr. (EBITDA)	1 444	1 330
Depreciation	(250)	(268)
Impairment	-	(35)
Operating result (EBIT)	1 194	1 027

Engineering & Fabrication Segment

(NOK mill)	1Q 2009	4Q 2008
Operating revenues	49	56
Operating costs	(42)	(23)
Oper. result before depr. (EBITDA)	7	33
Depreciation	(2)	(1)
Operating result (EBIT)	5	32

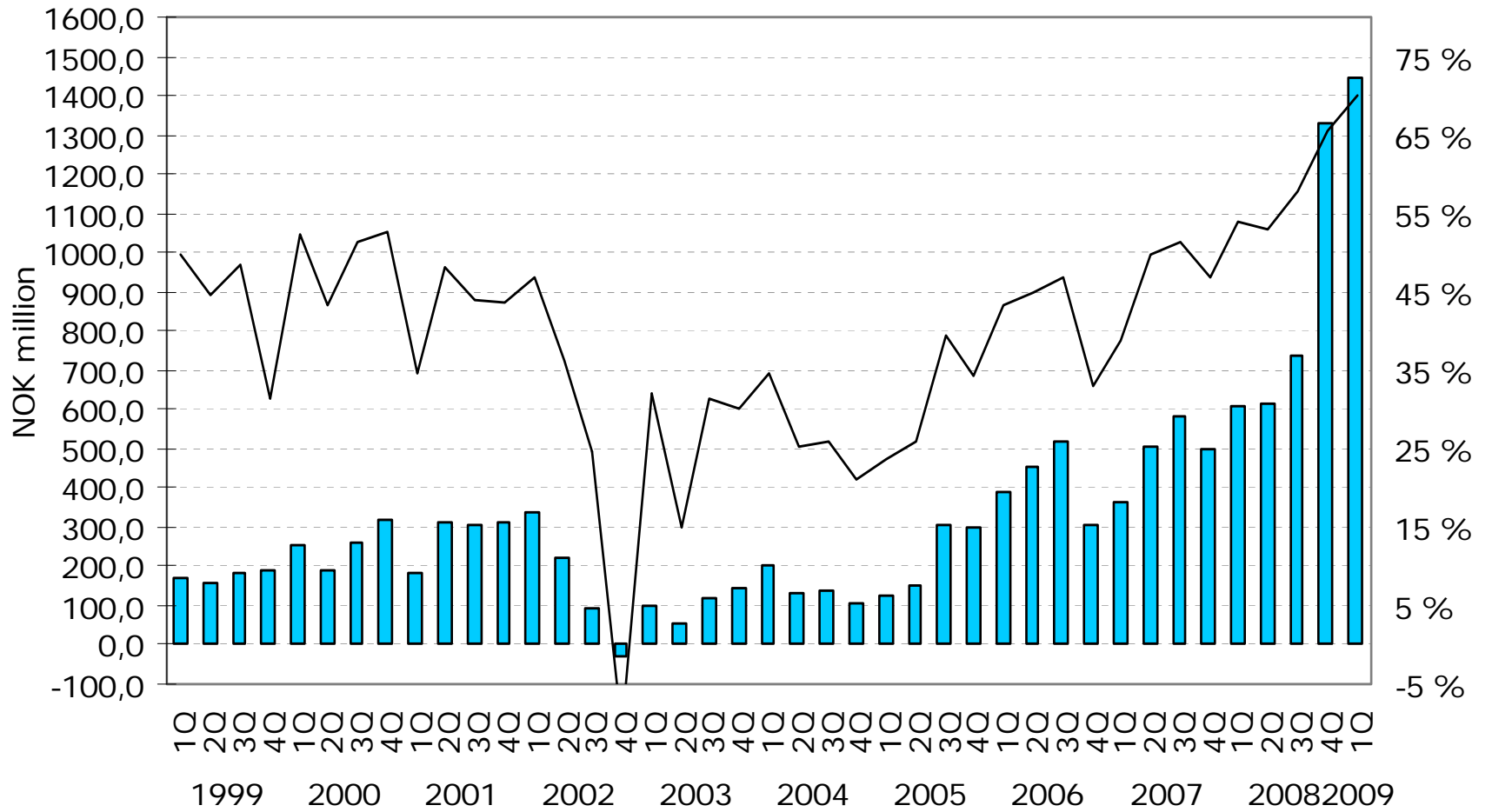
Consolidated Balance Sheet

(NOK mill)	1Q 2009	4Q 2008
Intangible assets	99	99
Property, plant & equipment	9 837	10 415
Other non-current assets	41	42
Total non-current assets	9 977	10 556
Other current assets	2 328	2 456
Cash and cash equivalents	3 622	3 674
Total current assets	5 950	6 130
Total assets	15 927	16 686
Equity	6 383	5 533
Non-current interest bearing debt	7 026	8 123
Other non-current liabilities	353	398
Total non-current liabilities	7 379	8 521
Current liabilities	695	792
Current interest bearing debt	1 470	1 840
Total current liabilities	2 165	2 632
Total equity and liabilities	15 927	16 686

Consolidated Cash Flow

(NOK mill)	1Q 2009	4Q 2008
Profit before income taxes	1 147	620
Depreciation and impairment	252	304
Interest expense	71	97
Loss/(gain) sale of assets	-	1
Changes in working capital	15	(380)
Unrealized currency loss/(gain)	(59)	253
Cash generated from operations	1 426	895
Interest paid	(100)	(118)
Taxes paid	(15)	(18)
Net cash flow from operating activities	1 311	759
Net investment in fixed assets	(145)	(363)
Cash flow from investment activities	(145)	(363)
Net borrowing/repayment of loans	(1 054)	1 628
Purchase of treasury shares	-	(80)
Cash flow from financing activities	(1 054)	1 548
Foreign currency	(164)	475
Net change in cash and cash equivalents	112	1 944
Cash at beginning of period	3 674	1 255
Cash at end of period	3 622	3 674

Offshore drilling EBITDA and margin



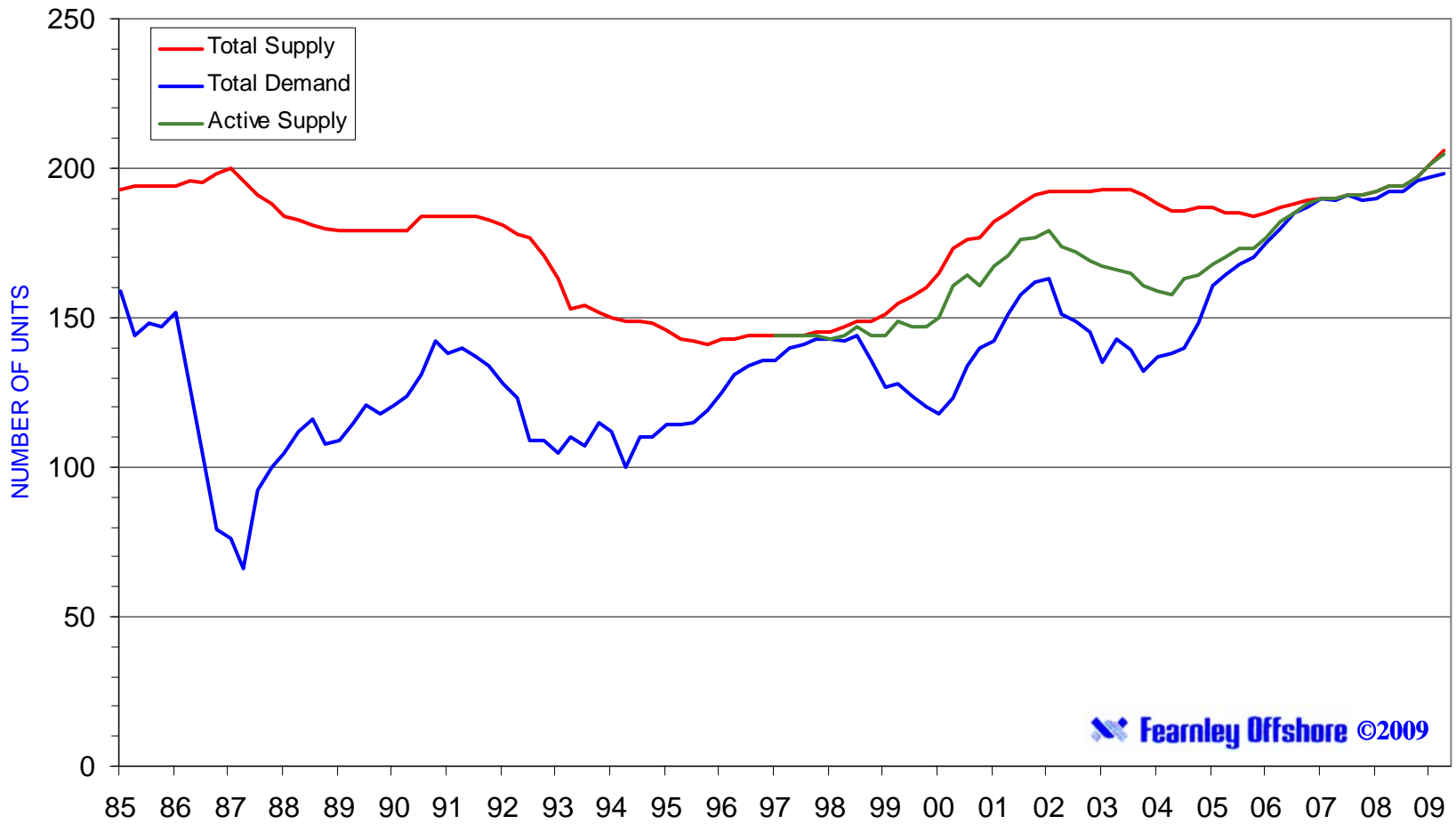
Fleet status as per 30 April 2009

Rig	Type / design	W depth ft	Location	Client	Contract status	Day rate (in USD)	Next CR survey
Deepwater units							
Belford Dolphin	Drillship	10 000	USGoM	Anadarko	Until April '10	439 000	2Q 2010
				Anadarko	April '10- April '13	525 000	
Blackford Dolphin	SS / Aker H-3	7 000	Ghana	Tullow	Until May '09	424 000	3Q 2013
				Vitol	May-June '09	398 000	
				Reliance	3Q '09-3Q'11	398 000	
Midwater floaters Norway							
Bideford Dolphin	SS / Aker H-3	1 500	Norway	StatoilHydro	Until January '11	NOK 2,71mill.	2Q 2009
Borgland Dolphin	SS / Aker H-3	1 500	Norway	StatoilHydro	Until January '10	344 000	4Q 2009
				Consortium*	January '10 - January '14	NOK 850' + USD 379'	
Bredford Dolphin	SS / Aker H-3	1 500	Norway	AGR**	Until June '10	392 000	2Q 2012
Midwater floaters UK - Brazil							
Borgsten Dolphin	SS / Aker H-3	1 500	UK	Maersk	Until July '09	385 000	2010
Borgny Dolphin	SS / Aker H-3	2 300	Brazil	Petrobras	Until September '13	233 000	2Q 2009
Byford Dolphin	SS / Aker H-3	1 500	UK	Senergy	October '08- July '09	405 000	4Q'09/1Q'10
				BP	1Q 2010 - 1Q 2013	410 000	
Accomodation floater							
Borgholm Dolphin	Acc. / Aker H-3		UK	BG	October '08-January '09	230 000	4Q 2012
				BG	February '09-October '09	225 000	
Participants in the consortiums:							
* BP, Bridge, Discover, EON, Nexen, OMV, Rocksource, Wintershall							
** BG, Detnor, Endavour, Lundin, Marathon, Revus							

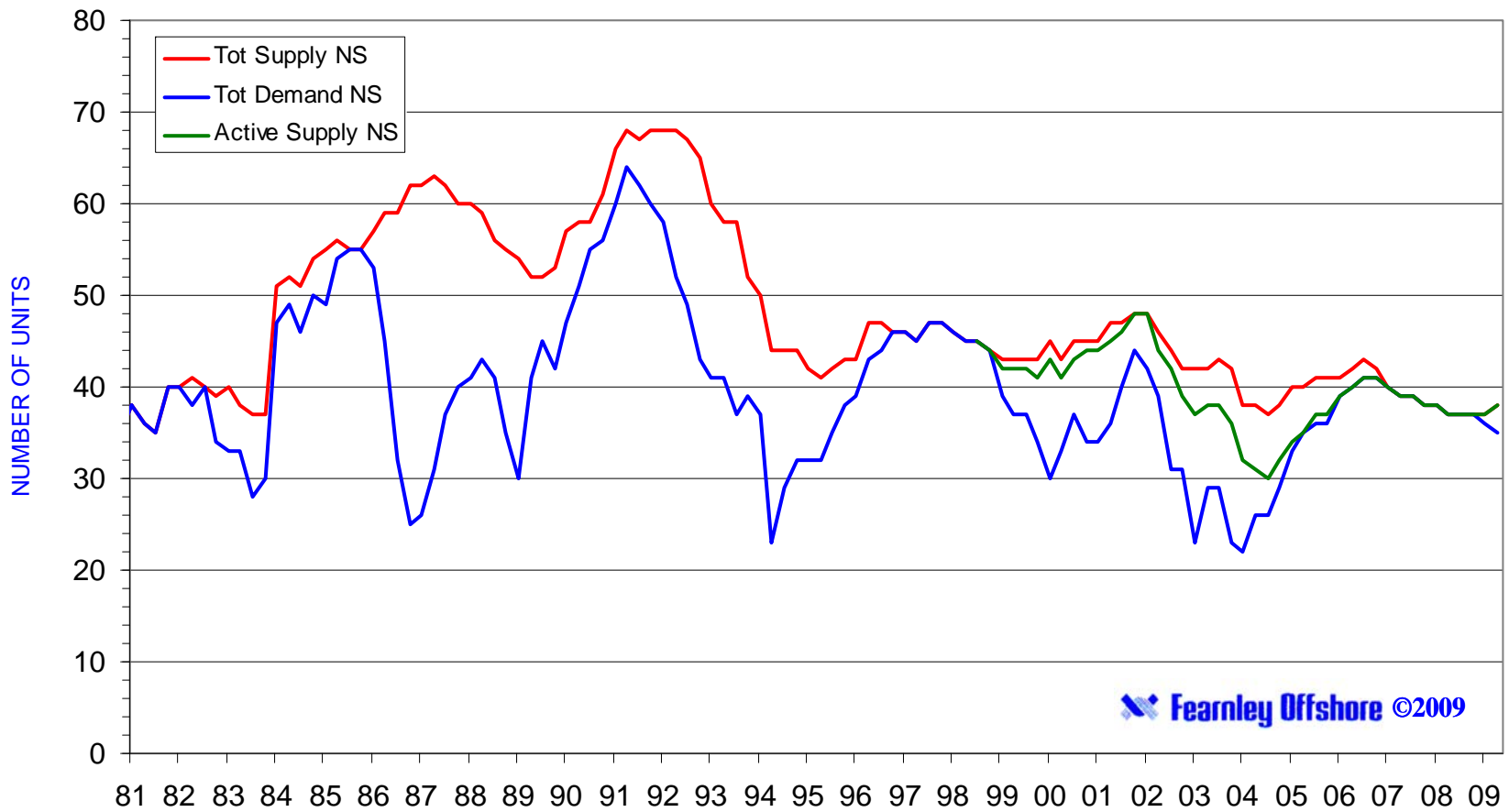
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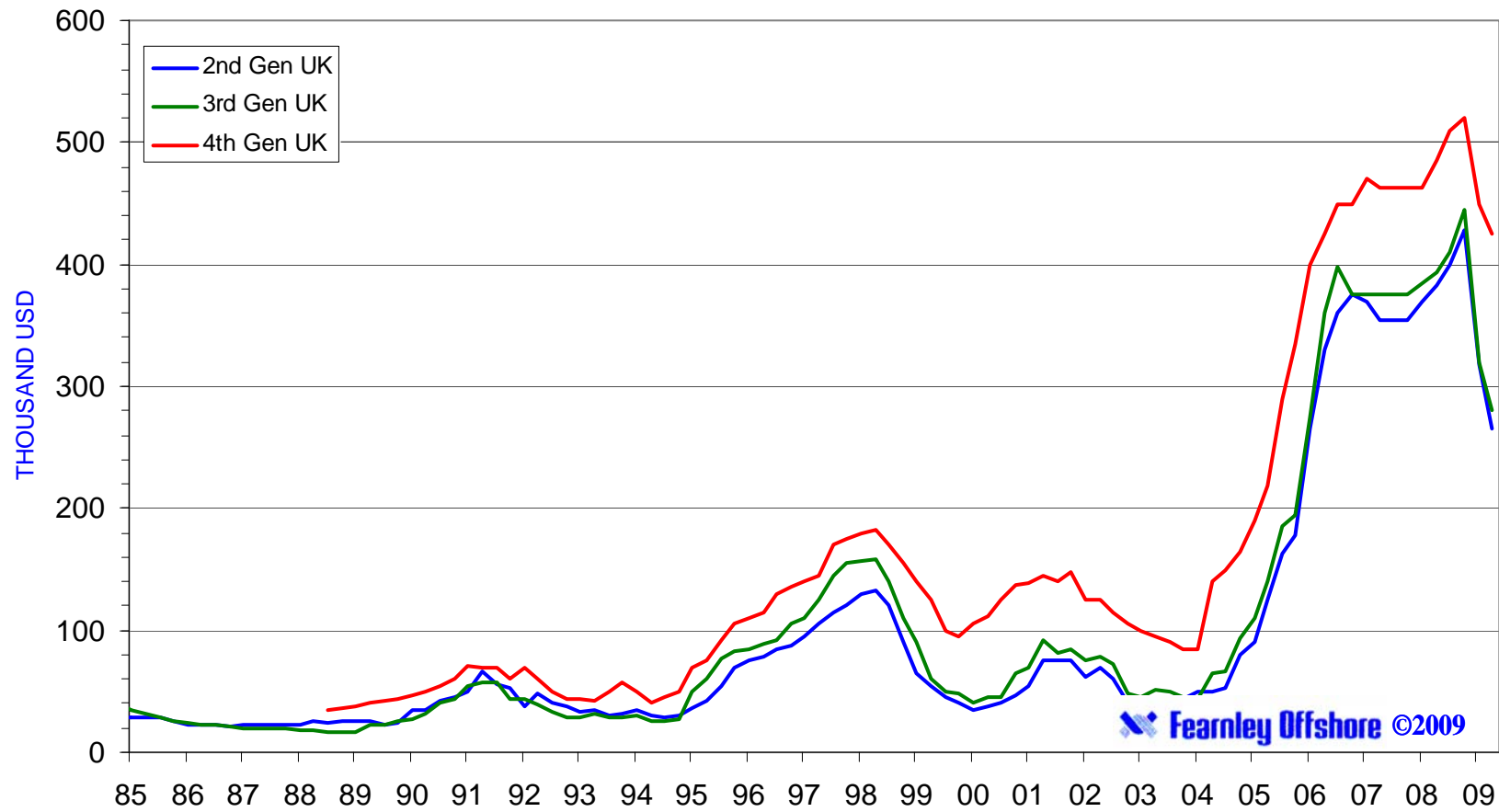
SUPPLY AND DEMAND WORLDWIDE FLOATERS



SUPPLY AND DEMAND NORTH SEA AREA SEMISUBMERSIBLE DRILLING UNITS

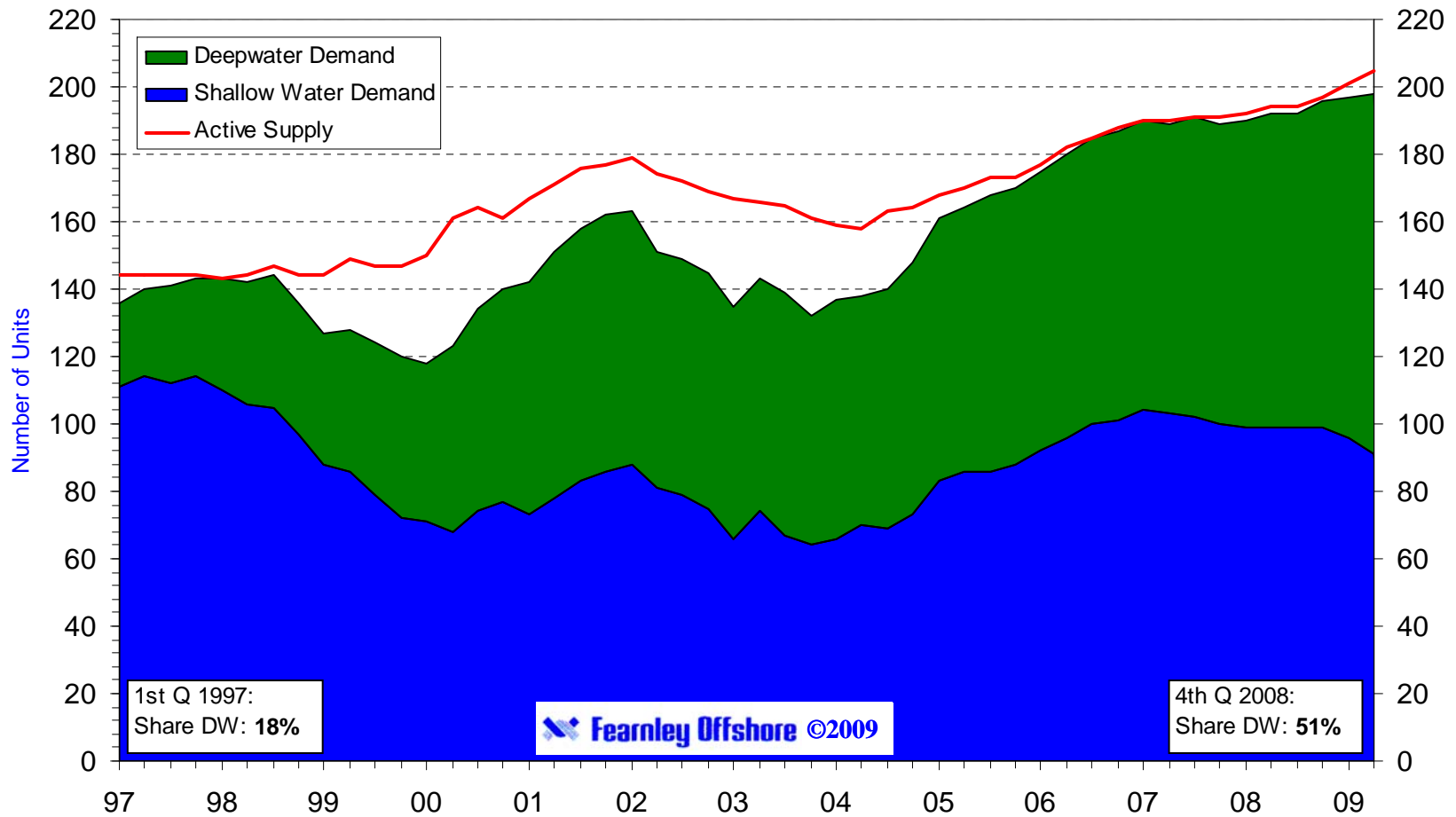


AVERAGE DAYRATES UK SECTOR SEMI SUBMERSIBLE DRILLING UNITS



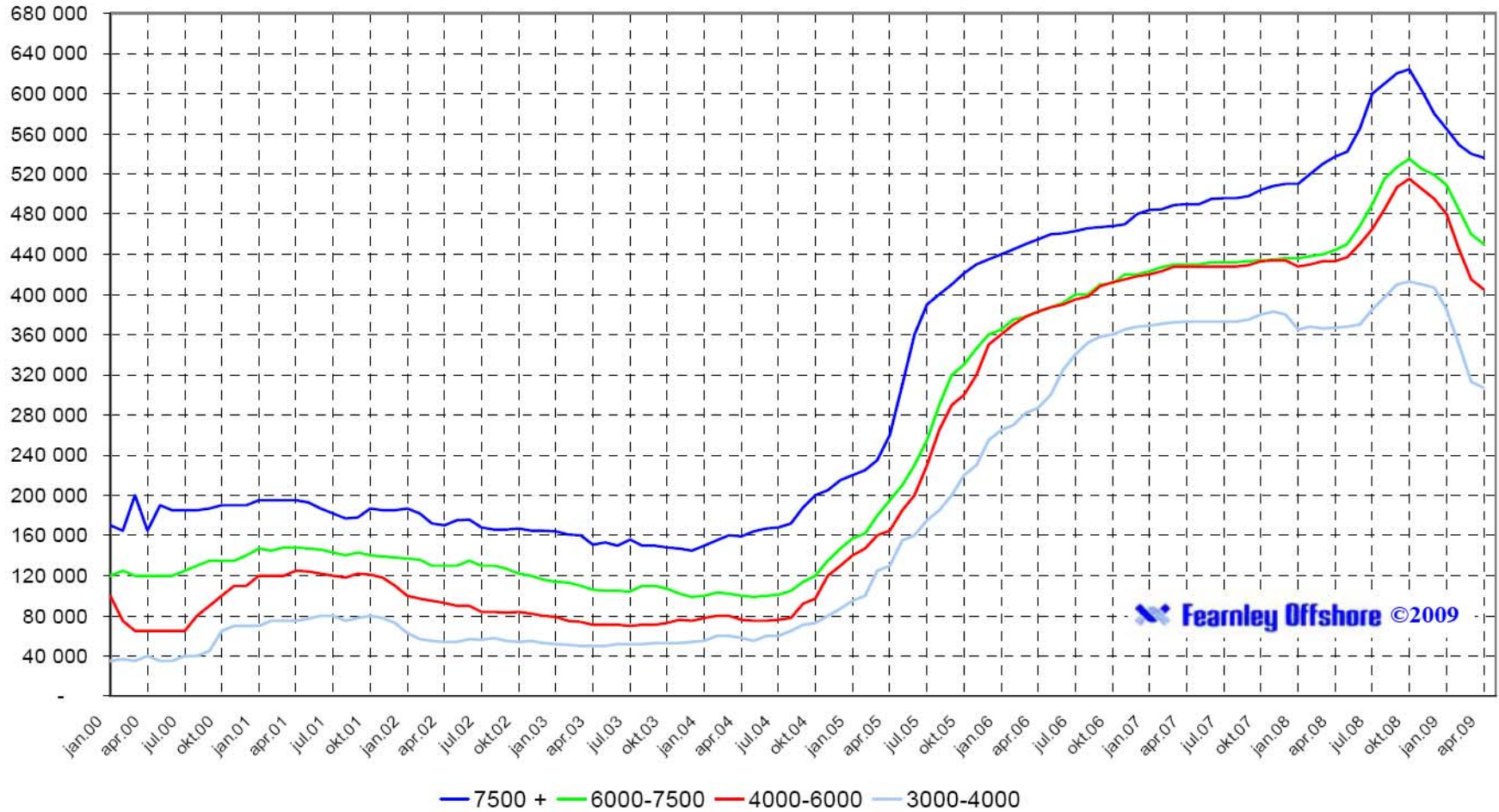
Fearnley Offshore ©2009

ACTIVE SUPPLY AND DEMAND WORLDWIDE FLOATERS



Worldwide Deepwater Drilling Units Market Rate Assessment by Waterdepth Segment

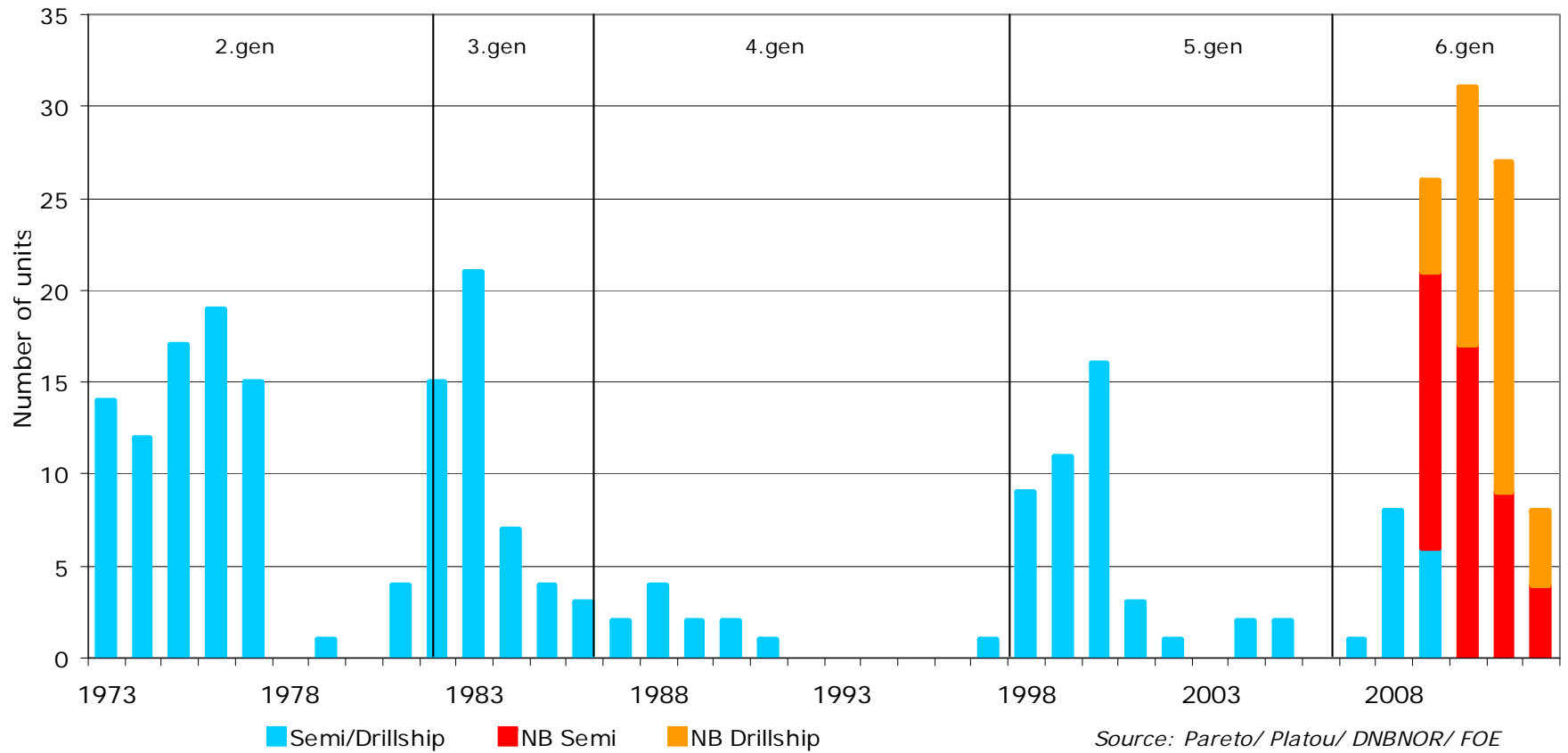
Dayrate [USD]



Fearnley Offshore ©2009

Global floater fleet and newbuilds

Age profile floaters

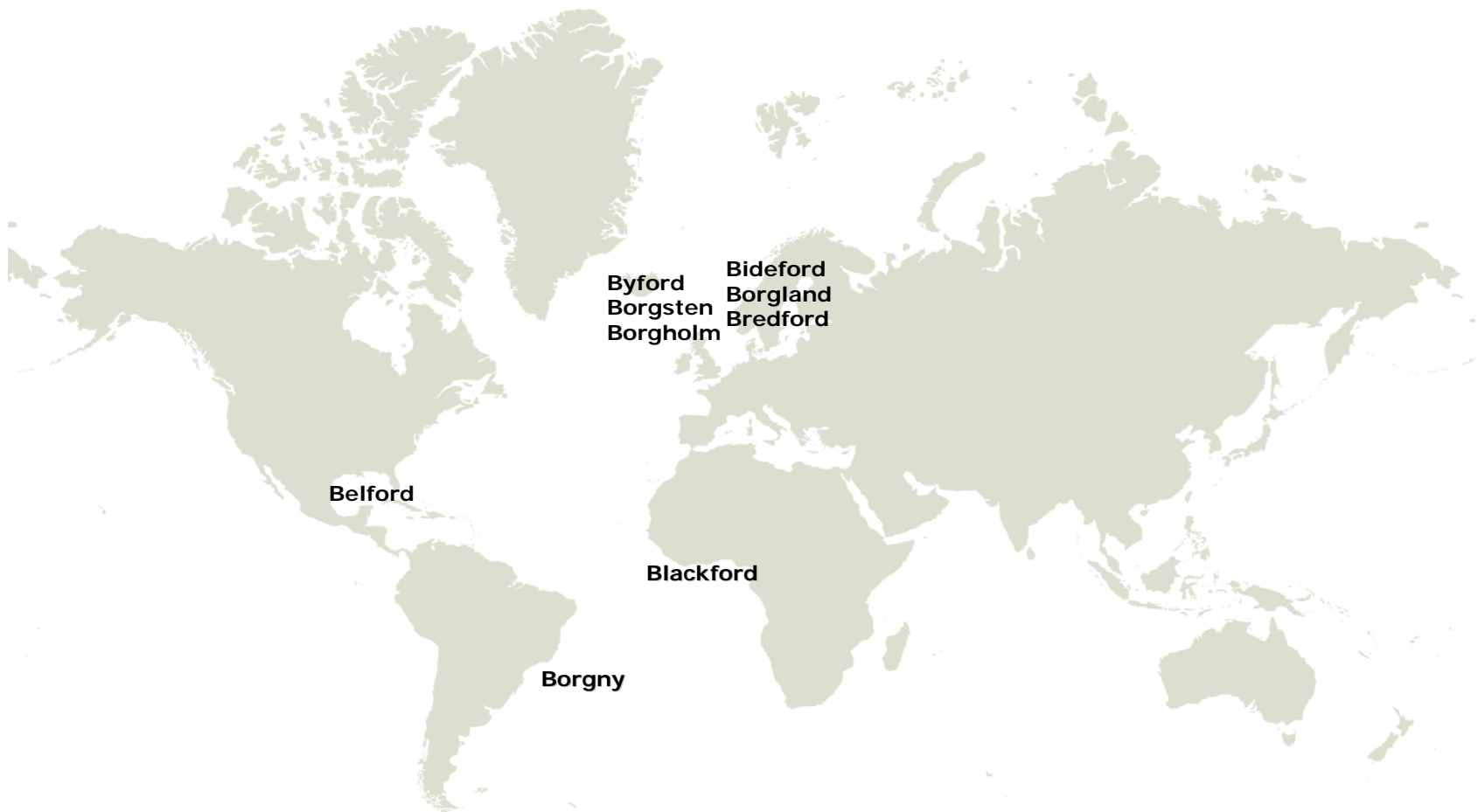


Source: Pareto/ Platou/ DNB NOR/ FOE

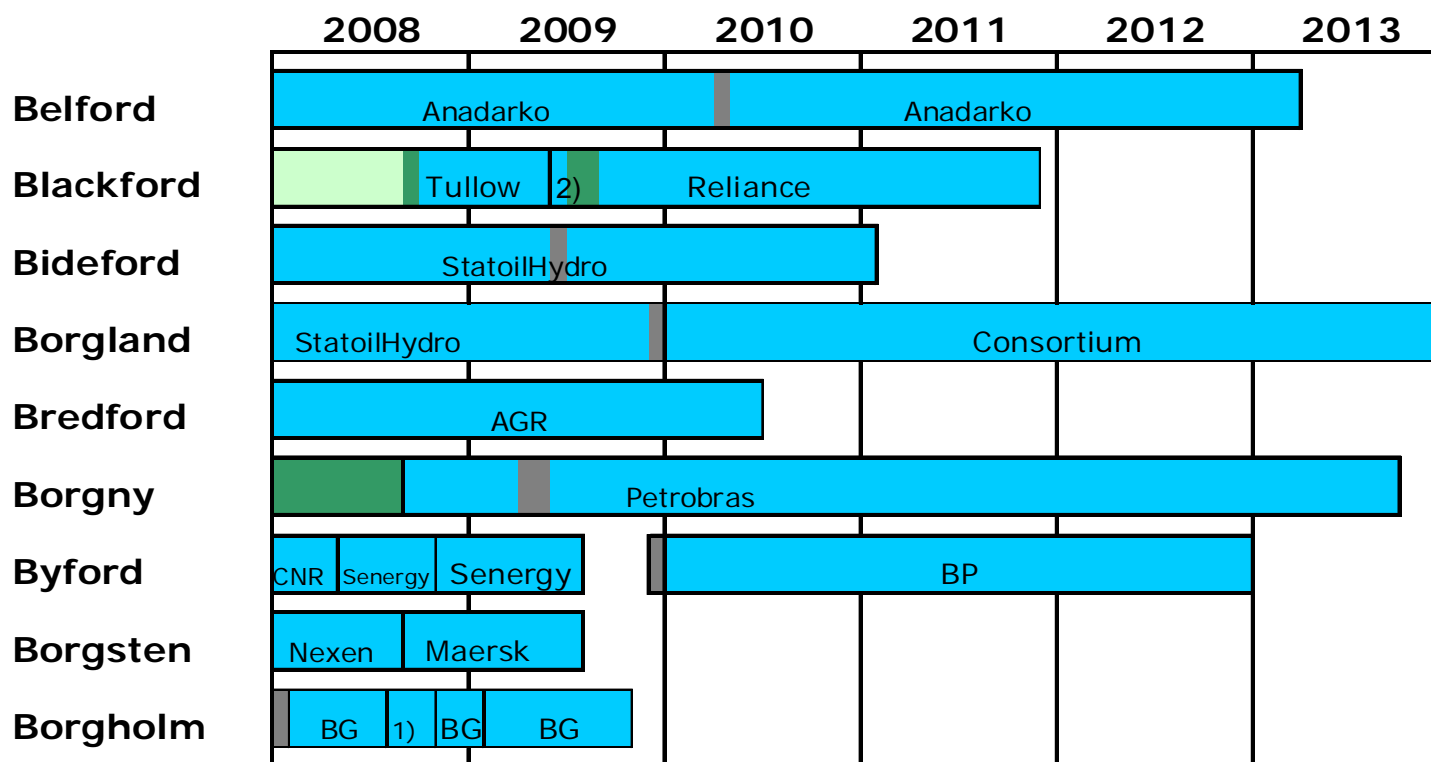
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Fred. Olsen Energy operating worldwide



Contract schedule as per 30 April 2009



1) Shell

2) Vitol Upstream Ghana Ltd.

Upgrade
 Class renewal survey
 Mobilisation

Average contract length: 30 months

Ghana / India

Blackford Dolphin

- 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)
-
- The rig is working under a five-well program for Tullow Oil in Ghana
 - Entered into a new one-well contract with Vitol Upstream Ghana Ltd. with estimated start end of May
 - Three-year contract with Reliance Industries Ltd. in India including the contract with Tullow Oil and Vitol Upstream Ghana Ltd.



US Gulf

Belford Dolphin

- Three-year drilling contract with Anadarko from April 2007 in the US Gulf
- New three-year drilling contract from April 2010 with Anadarko
- Five-year class renewal survey planned for 2010



Norway

Bideford Dolphin

- Operating for StatoilHydro under a three years contract offshore Norway expiring January 2011
- Five-year class renewal survey planned for second quarter 2009



Borgland Dolphin

- Operating for StatoilHydro offshore Norway under a three year contract commenced January 2007
- Secured four year contract with consortium, estimated commencement early 2010
- Five-year class renewal survey planned for fourth quarter 2009



Norway / United Kingdom

Bredford Dolphin

- Three years contract through AGR for 7 operators in Norway, commenced in June 2007
- Five-year class renewal survey and upgrade to comply with regulations on the Norwegian Continental Shelf completed in June 2007



Borgholm Dolphin

- Aker H-3 accommodation rig with 600 bed capacity. Class renewal survey completed in January 2008
- Finished a 12 weeks contract end of January
- Commenced a new 8,5 months contract with BG Group end of January, estimated to end mid October



United Kingdom (cont.)

Byford Dolphin

- Commenced a new nine months contract in UK mid October 2008, contract estimated to end mid July 2009
- Entered into a new three-year contract with BP Exploration Operating Co. with estimated commencement in 1Q 2010
- Five-year class renewal survey planned for 4Q 2009



Borgsten Dolphin

- Operating under a nine month contract with Maersk in the UK. Contract estimated to end in July 2009
- The unit is available for contract from July 2009



Brazil

Borgny Dolphin

- Commenced operation under a five year drilling contract with Petrobras in Brazil, expiring September 2013
- Class renewal survey started in the beginning of April 2009



Harland & Wolff

- Focus on ship repair, ship building, steel fabrication and engineering services
- Holds a Waste Management License for ship demolition
- The yard area is serving as a logistics and assembly base for offshore windfarms
- This will be a focus area for the future, in addition to ship building and ship repair



Summary and outlook

- Lower oil price and tight credit market continues, with oil and gas operators reducing costs and spending plans
- Proceed with existing rig commitments, with some seeking amendments and sub-lets
- Operators seem to defer decisions on additional rig commitments
- The balance between supply and demand seems healthy in a longer perspective

- Annual General Meeting will take place 26 May 2009
- Date for dividend payment is estimated to 10 June 2009

- Seven out of nine units have long term contracts
- Average contract duration: approximately 30 months