



SECOND QUARTER 2005

Awilco Offshore was incorporated in January 2005. In February 2005, the company acquired all offshore rig assets of Awilco AS (a wholly-owned company in the Anders Wilhelmsen Group), and as part of the transaction NOK 1,000 mill was raised in new equity at NOK 20 per share through a private placement. Awilco Offshore was listed on the Oslo Stock Exchange on May 11th 2005, and in connection with the listing another three million new shares were issued at a subscription price of NOK 22. The prospectus is available on www.awo.no.

During the second quarter Sinvest and Awilco Offshore entered into an agreement to establish a jointly owned company, Premium Drilling, for commercial and operational management of its fleet of jack-up drilling rigs.

In addition to two accommodation rigs, Awilco Offshore's assets comprise at present four jack-up new building contracts. The company also has options for the construction of a further four jack-up drilling rigs.

RESULTS

Main figures

2nd quarter 2005

Revenues for the second quarter came to MNOK 41,4. This amount is inclusive of a mobilization fee for the Port Reval unit due to the contract with BP Group on the Armada field. All revenue accumulated until the time of delivery of the jackup rigs, will be attributable to the accommodation units. Operating profit before depreciation came to MNOK - 2,6 and operating profit after depreciation equaled MNOK -15,7. The operating costs are related to the accommodation units. Net financial items came to MNOK -7,4. Profit before tax amounts to MNOK -23,2, and net profit came to MNOK - 16,7.

First half of 2005

Revenues for the first half of 2005 was MNOK 86,4. Operating profit before depreciation came to MNOK 10,8, and operating profit after depreciation equaled MNOK -15,4. Net financial items came to MNOK - 41,8. This negative effect is attributable to a foreign exchange loss of MNOK -32,9. Profit before tax amounts to MNOK -57,2, and net profit came to MNOK - 39,8. Earnings per share was NOK - 0,41 for the first half of 2005.

As per June 30 2005, total assets amounted to MNOK 1,914. Awilco Offshore holds a strong cash position to meet the remaining equity payments of the new building contracts. Current assets (cash and receivables) amount to MNOK 656 at the end of the period.

At the establishment of Premium Drilling, an initial equity contribution of MNOK 19,5 was paid by Awilco Offshore. Reference is made to the item "Investments in associated companies" in the balance sheet.

Accounting principles - IFRS

The accounts have been prepared in accordance with International Financial Reporting Standards. Please see a description in the notes to the interim financial statement per 2q 2005.

The pro forma accounts for 2004 are presented as if the offshore segment was reorganized per beginning of the year, and are derived from audited financial statements for Awilco group for 2004. The pro forma accounts for 2004 are prepared for informative purposes only. Please see more information in the notes to the interim financial statement per second quarter 2005.

SEGMENTS

Investments in jackup rigs

The jackups are under construction at two reputable yards in Singapore, PPL and Keppel FELS. WilPower (PPL) is to be delivered in the second quarter of 2006 and has a delivered cost of USD 131 mill. Keel laying took place in February and the next milestone, which will be to complete the main deck, will be finished by early September 2005. WilCraft (KFELS) is to be delivered in the fourth quarter of 2006 and has a delivered cost of USD 131 mill. Steel cutting took place in April 2005. WilSuperior (PPL) is to be delivered in the second quarter of 2007 and has a delivered cost of USD 130 mill. The contract was signed in June and steel cutting will commence during 3rd quarter 2005.

The construction projects are developing as planned. Construction of all three rigs is based upon fixed price contracts and the rigs will be delivered "ready to drill". The given delivered costs include yard price, site supervision, pipe handling equipment, spare parts and finance costs during construction.

As per June 30 2005, the total equity payments of the three new building contracts amount to appr. MUSD 92,2 (total capex incl. debt financing amount to appr. MUSD 105,2). The remaining equity payments for all three rigs amount to appr. MUSD 74,4 (total remaining capex incl. debt financing amount to MUSD 285,9).

Name	Yard	W. depth	D. depth	Decl. by	Delivery
Contracted rigs					
WilPower	PPL	375ft	30,000ft		2Q06
WilCraft	Keppel	400ft	30,000ft		4Q06
WilSuperior	PPL	375ft	30,000ft		2Q07
TBN	Keppel	400ft	30,000ft		4Q07
Optional rigs					
PPL option 1A	PPL	375ft	30,000ft	03 / 2006	+24 months
PPL option 2	PPL	375ft	30,000ft	10 / 2006	+24 months
PPL option 3	PPL	375ft	30,000ft	09 / 2007	+24 months
Keppel option B	Keppel	400ft	30,000ft	08 / 2006	+28 months

Accommodation rigs

As two out of only four units in the world fleet, the accommodation units are both suited for employment on the Norwegian Continental Shelf. Port Rigmar is a jack-up rig currently employed on a contract on the Ekofisk field. The contract has a firm period to October 2006 and can be extended by the contractor (on a one-year notice) for up to four additional years. Port Reval is a semi-submersible rig which has secured employment through 2006. In 2004, one of the accommodation units was in operation the full year, while the other unit commenced operation in June 2004.

PROSPECTS

Within **Drilling** the market prospects for the oil and gas industries are improving further. For the third year in row, oil and gas companies have continued to increase their E&P spending budgets. The investment levels are closely influenced by expectations about the future oil and gas prices. The oil price is currently trading at USD 65 and the future price (12m average Brent) is USD 66. Strong demand for energy combined with limited supply,

supply disruption in key regions and the risk of another gas crisis, are the main reasons for the record high oil and gas prices (well above historical average levels). There are currently slightly above 40 jackup rigs under construction (which correspond to app. 10 % of the jackup fleet). The rigs currently under construction are to be delivered between 2005 and 2009. Despite a growing number of rigs being contracted, there are still not enough rigs to meet the oil and gas companies' steady increase in rig requirements from increasing oil production and new field developments. The market attrition rate is also expected to increase due to the high average age of today's fleet. The majority of the jackup rigs were constructed during the 1970s-80s, and in some period of time they will have to be replaced by modern, more efficient rigs.

Also within **Accommodation** the market outlook is positive. The company sees good opportunities for extension of the Port Rigmar unit beyond October 2006, and is also comfortable awaiting additional employment for Port Reval from mid 2007 and beyond.

Events since June 30th 2005

August 1st 2005, Awilco Offshore declared its first option at Keppel FELS (TBN). The new ultra premium jackup rig is to be delivered in the fourth quarter of 2007 and has a delivered cost of USD 134 mill. Following the ordering of the rig, AWO was awarded another option at Keppel FELS. Post this transaction, Awilco Offshore has four ultra premium jackup rigs under construction, and options to build further four units.

August 3rd 2005, Awilco Offshore acquired 11,942,030 shares in Petrojack ASA, corresponding to 20,7 % of the issued share capital. Awilco Offshore announced it would make a voluntary offer for all shares in Petrojack at an exchange ratio of 2.31 Petrojack shares for 1 Awilco Offshore share. August 23rd 2005, Awilco Offshore announced a revised voluntary offer for all shares in Petrojack at an exchange ratio of two Petrojack shares for 1 Awilco Offshore share. The offer period is expected to commence on or about September 15 2005, and the offer document is expected to be published on or about September 14 2005 (please see www.awo.no).

Following the acquisition of Petrojack shares on August 3rd a total number of 4,396,983 new AWO shares were issued, and the registered share capital increased to NOK 1,185,303,330 which corresponds to 118,5 million outstanding shares.

Oslo, August 25th 2005

The board of directors of Awilco Offshore ASA



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Awilco Offshore ASA

**Interim financial statement
Second quarter 2005**

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Adresse:

Awilco Offshore ASA

Postboks 1583 - Vika

N - 0118 Oslo

Telefon: +47 22 01 43 00

Telefax: +47 22 01 43 70

Awilco Offshore group

Profit and loss statement

All figures in NOK 1000

	Actual	Pro forma	
	01.01 - 30.06 2005	01.01 - 31.12 2004	01.01 - 30.06 2004
Net operating income	86 445	270 731	77 542
Operating expenses	(66 184)	(136 349)	(51 071)
Administrative expenses	(9 484)	(21 093)	(10 147)
Depreciation	(26 216)	(40 805)	(14 589)
Total operating expenses	(101 885)	(198 247)	(75 808)
Operating result	(15 439)	72 484	1 734
Financial items			
Interest income	6 041	1 044	317
Interest costs	(12 369)	(12 348)	(3 744)
Foreign exchange gain/(loss)	(32 938)	28 950	(14 027)
Other financial items	(2 561)	(962)	(618)
Net financial items	(41 826)	16 684	(18 072)
Profit before tax	(57 266)	89 168	(16 338)
Tax expense	17 499	(26 483)	4 563
Profit/(loss) in period	(39 767)	62 685	(11 774)
Earnings per share	-0,41	1,03	-0,19

	Actual	Per quarter, pro forma
	01.04 - 30.06 2005	01.04 - 30.06 2004
Net operating income	41 378	42 632
Operating expenses	(39 423)	(29 769)
Administrative expenses	(4 590)	(5 586)
Depreciation	(13 108)	(7 294)
Total operating expenses	(57 121)	(42 650)
Operating result	(15 742)	(18)
Financial items		
Interest income	2 830	310
Interest costs	(6 052)	(1 815)
Foreign exchange gain/(loss)	(3 836)	(3 978)
Other financial items	(356)	(325)
Net financial items	(7 414)	(5 809)
Profit before tax	-23 157	-5 827
Tax expense	6 487	1 631
Profit	(16 670)	(4 195)

Awilco Offshore group

Balance sheet

All figures in NOK 1000

	Actual	Pro forma	
	30.06.05	31.12.04	30.06.04
Assets			
Accommodation units	581 179	566 244	597 470
Jack-up rigs, under construction	656 096	150 854	97 162
Other fixed assets	623		
Fixed assets	<u>1 237 898</u>	<u>717 098</u>	<u>694 632</u>
Investments in associated companies	<u>19 500</u>		
Total fixed assets	<u>1 257 398</u>	<u>717 098</u>	<u>694 632</u>
Receivables and accruals	46 148	45 057	40 317
Group receivables	0	9 039	19 510
Cash, bank	610 240	146 602	130 336
Current assets	<u>656 388</u>	<u>200 698</u>	<u>190 164</u>
Total assets	<u>1 913 786</u>	<u>917 796</u>	<u>884 796</u>
Equity and debt			
Equity	<u>1 269 834</u>	<u>269 458</u>	<u>189 871</u>
Deferred tax	<u>35 226</u>	<u>48 617</u>	<u>19 495</u>
Mortgage debt	426 364	223 131	270 703
Other debt	77 251	0	0
Total long term debt	<u>503 616</u>	<u>223 131</u>	<u>270 703</u>
Creditors	0	3 425	26
Intercompany debt	0	337 828	350 878
Other short term debt and accruals	105 111	35 337	53 823
Total short term debt	<u>105 111</u>	<u>376 590</u>	<u>404 727</u>
Total debt and equity	<u>1 913 786</u>	<u>917 796</u>	<u>884 796</u>

Awilco Offshore group

Cash flow statement

All figures in NOK 1000

	Actual	Pro forma	
	01.01 - 30.06 2005	01.01 - 31.12 2004	01.01 - 30.06 2004
<u>Cash flow generated by/used in operations</u>			
Profit before tax	(57 266)	89 168	(16 338)
Tax payable	0	(10 424)	(361)
Depreciation	26 216	40 805	14 589
Foreign exchange effects unrealized	28 814	(46 683)	15 350
Cash flow from operations	-2 236	72 866	13 240
Change in debtor, creditors , accruals and provisions	18 034	28 887	16 609
Net cash flow from operations	15 799	101 754	29 849
<u>Cash flow generated by/used in investments</u>			
Invested in fixed assets	(547 016)	(262 261)	(213 578)
Proceeds from sale of fixed assets	0	0	0
Net sale/(purchase) of shares	0	0	0
Other investments	(19 500)	0	0
Net cash flow from investments	-566 516	-262 261	-213 578
<u>Cash flow generated by/used in financial activities</u>			
Dividend and/or group contribution etc	0	5 049	0
New debt	573 618	105 573	102 959
Repayment debt	(587 688)	(29 772)	(15 072)
Equity contributions	1 028 426	164 728	164 647
Net cash flow from financial activities	1 014 355	245 577	252 534
Net cash flow for the year	463 638	85 070	68 804
Cash and cash equivalents per opening balance	146 602	61 532	61 532
Cash and cash equivalents per end of period	610 240	146 602	130 336

1. Notes to the interim financial report per 2q 2005

1.1 Proforma accounts for 2004

General

Awilco Offshore ASA was founded on 21 January 2005. The pro forma group accounts for 2004 have been prepared according to International Financial Reporting Standards. The pro forma accounts are presented according to IFRS as if the offshore segment was reorganized per beginning of the period presented, and is derived from audited financial statements for Awilco group for 2004. The pro forma accounts have been provided based on the assumptions stated below. Pro forma financial statements are provided for informational purposes only and are not necessarily indicative of actual results that would have been achieved if the transactions and assumptions described below had occurred during the period presented.

Since the formation of Awilco's offshore segment into the wholly owned AWO group is seen as a reorganization of a segment in a wholly owned subgroup of Awilco, the reorganization has been recorded using the continuity method. Consequently, the net book value of the assets, rights and liabilities transferred to the AWO group, corresponds to the net book value under the previous organization and ownership structure.

Pro forma adjustments (relates only to the 2004 figures)

Equity contribution

The Company carried out a private placement in the period from 14 – 18. February 2005. Prior to completion of the private placement, the share capital of the Company was increased through the conversion into equity of part of the consideration for the offshore assets transferred from Awilco. This conversion of debt into equity is rolled-back and reflected in the pro forma balance sheet per beginning of 2004. Correspondingly, debt not converted to equity is also reflected in the pro forma balance sheet per beginning of 2004. Interest cost on this debt is reflected in the accounts using the same interest rate as agreed in 2005.

The transfer of assets from Awilco to AWO is in the pro forma accounts assumed to have been executed using the same underlying values as actually used in the reorganization that took place in 2005.

The proceeds from the private placement were received by the Company at end of February 2005, and will be reflected in the financial report for 1st quarter 2005, and is not rolled back to be reflected in the pro-forma accounts for 2004.

Inter-company debt

Part of the proceeds from the private placement was used to repay inter-company debt to Awilco. In order to better reflect the actual funding of the segment in 2004, combined with the proceeds from the private placement mentioned above is not rolled-back to 2004, no pro forma adjustments are made to the actual inter-company debt that existed in 2004.

Management fee

The Company has entered into management agreements with companies in the A Wilhelmsen group. The management fee will equal the costs incurred by delivering the agreed management services. The pro forma accounts for 2004 include a management fee of approximately NOK 15 million.

Tax

The accommodation rigs have been organized within the Norwegian tonnage tax regime since the acquisition date of the rigs. The Norwegian Ministry of Finance is currently carrying out an assessment of the tonnage tax regime, inter alia with respect to whether moveable rigs shall continue to qualify for the regime. A consultation paper concerning this subject, issued 11 March 2005, proposes that moveable rigs, with effect from 1 January 2006, will no longer qualify for the regime. If this proposal is implemented, the Company will no longer be in a position to benefit from the deferred taxation allowed under the regime. Consequently, the deferred tax on historical operating profits from the accommodation units will become payable.

In the pro forma accounts, the Company has provided for income tax on the basis of their profit for financial reporting purposes, adjusted for income and expense items which are not taxable or deductible for income tax purposes, using the current tax rate. This deferred tax provision is reflecting the possible change on tax rules mentioned above.

Income tax expense has been adjusted for the effects of pro forma adjustments to the profit and loss statement.

1.2 International Financial Reporting Standards (IFRS)

General information

As from 2005 Norwegian public companies are subject to new accounting standards introduced in the European Union. The new accounting standards are called International Financial Reporting Standards (IFRS). The objective of IFRS is to develop, in the public interest, a single set of high quality, understandable and enforceable global accounting standards that provide accurate, transparent and comparable information to help users make economic decisions.

AWO has prepared the pro forma accounts for 2004 according to the IFRS. AWO has prepared the pro forma accounts based on the current understanding of IFRS.

Below is a description of the main effects between the accounting principles previously used by Awilco compared with the IFRS principles used in the pro-forma accounts of AWO;

Assets

The useful economic lives of the accommodation rigs are estimated for the material components of the rigs separately. The major components of the rigs are estimated to have useful economic lives in the range from 20-38 years. Based on experience, performance and future scheduled dockings, economic lives are evaluated on a regular basis – at least annually. If the estimated useful economic life changes future depreciations are adjusted accordingly.

There is established residual value for the accommodation rigs. Awilco's previous principle has been to depreciate assets to zero over the economic life. We have recalculated accumulated depreciations for each asset taking into account the residual value and dismantling expenses. The asset value has been appreciated by the difference in accumulated depreciation based on IFRS and Norwegian GAAP. Future depreciations are based on depreciation schedules including residual values and dismantling expenses. The residual value is based on the market value for scrapping at the reporting date.

Reclassification of docking expenses

Docking expenses are regarded as a separate part of the rig value with a different depreciation period than the rig. Depreciation of docking expenses is therefore reclassified from operating expenses to depreciation.

Deferred tax and tax expense

Income tax expense has been adjusted for the effects of IFRS adjustments to the profit and loss statement. Deferred tax is adjusted due to changes in asset values.

Long term debt

First year installment of long term debt has been classified as current liabilities.

1.3 Accounting principles

Classification of balance sheet items

Assets and liabilities related to the operation of the company are classified as current assets and liabilities. Assets for long term use are classified as fixed assets.

Revenue

Revenues are recognized as earned, based on contractual daily rates or on a fixed price basis.

Debt issuance costs

Debt issuing costs are amortized and then capitalized if they are directly attributable to the acquisition, construction or production of a qualifying asset. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

Taxes and deferred tax liabilities

The Company provides for income tax on the basis of their profit for financial reporting purposes, adjusted for income and expense items which are not taxable or deductible for income tax purposes.

Deferred taxation is provided in the balance sheet as the liability method in respect of temporary differences between the tax base of an asset or liability and its carrying amount in the balance sheet. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes. Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which the deductible temporary difference can be utilized.

Current assets

Current assets are valued at the lower of historical cost and market value.

Foreign currency

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the exchange rate at the balance sheet date.

Fixed assets

Rigs and equipment are stated at cost less accumulated depreciation and accumulated impairment loss. The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition. In situation where it can be clearly demonstrated that expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of the asset beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of the asset.

Components of new fixed assets with different economic useful lifetime will have different depreciation time.

Depreciation is calculated using the straight-line method to write off the cost, after taking into account the estimated residual value, of each asset over its expected useful life. The expected useful life for the accommodation rigs is 20 – 38 years.

The useful lives of assets and the depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property, plant and equipment.

When assets are sold or retired, their costs and accumulated depreciation and accumulated impairment loss are eliminated from the accounts and any gain or loss resulting from their disposals is included in the income statement.

New-building contracts

New-building contracts include payments made under the contracts, capitalized interest and other costs directly associated with the new-building program.

Impairment of assets

All assets are reviewed for impairment whenever events of changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized in the income statement. The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction less the costs of disposal while value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. The reversal is recorded in the income statement.

Cash flow statement, cash and cash equivalents

The cash flow statement is prepared using the indirect method.

Cash represents cash on hand and deposits with bank that are repayable on demand.

Cash equivalents represent short-term, highly liquid investments which are readily convertible into known amounts of cash with original maturities of three months or less and that are subject to an insignificant risk of change in value.

Consolidation

The consolidated statements consist of Awilco Offshore ASA and companies where the parent company controls directly or indirectly more than 50% of the votes. Companies are consolidated from the time when control is obtained. Companies in the group apply consistent accounting principles. Inter-company transactions and balances between group companies are eliminated

Awilco Offshore group

All figures in NOK 1000

Equity

The Company's share capital is NOK 1.141.333.500 made up of 114.133.350 shares with a par value of NOK 10 per share. All shares of the Company are of the same class and are equal in all respects. The Company's articles of association do not provide for shares of other classes.

	Actual	
	30.06.05	31.03.05
Group equity		
Proforma equity per 1. January	269 458	269 458
Reversed pro forma effects	11 716	11 716
Capital transfers, group contribution etc	0	0
Equity contributions	1 028 426	965 000
Dividend	0	0
Profit/(loss) in period	-39 767	-23 097
Equity per 31. December (IFRS)	1 269 834	1 223 078

	Pro forma	
	31.12.04	30.06.2004
Group equity		
Proforma equity per 1. January	31 735	31 735
Effect of IFRS implementation	5 262	5 262
Capital transfers, group contribution etc	5 049	0
Equity contributions	164 728	164 647
Dividend	0	0
Profit/(loss) in period	62 685	-11 774
Equity per 31. December (IFRS)	269 458	189 871

Effects of IFRS implementation**Balance sheet effects**

Adjusted net book value of rigs		4 309
Adjusted accruals		3 000
Tax effect of adjustments	28 %	-2 047
Net equity effect		5 262

Major shareholders per 23 August

	Number of shares	Ownership
AWILCO AS	53 850 630 ²⁸	45,43 %
BANK OF NEW YORK, BR S/A EQUITY TRI-PARTY	3 459 311	2,92 %
AWECO HOLDING AS	3 300 000	2,78 %
GOLDMAN SACHS & CO EQUITY NONTREATY CUS	3 262 700	2,75 %
CITIBANK, N.A. GENERAL IRISH RES.-T	2 488 200	2,10 %
ORKLA ASA	2 360 000	1,99 %
CREDIT SUISSE FIRST (EUROPE) PRIME BROKE	2 356 000	1,99 %
ODIN OFFSHORE ODIN FORVALTNING AS	2 300 000	1,94 %
JPMORGAN CHASE BANK S/A ESCROW ACCOUNT	2 233 280	1,88 %
ODIN NORDEN	2 087 087	1,76 %
DEUTSCHE BANK (SUISS)	1 883 500	1,59 %
BANK OF NEW YORK, BR BNY GCM CLIENT ACCOU	1 834 056	1,55 %
STOREBRAND LIVSFORSI P980, AKSJEFONDET	1 589 000	1,34 %
ENSKILDA SECURITIES EGENHANDELSKONTO	1 472 135	1,24 %
DEUTSCHE BANK AG LON PRIME BROKERAGE FULL	1 417 646	1,20 %
BARINGS (GUERNSEY) L NON TREATY CLIENTS A	1 353 528	1,14 %
MERRILL LYNCH INTERN A/C MLI GEF A/C NON	1 216 720	1,03 %
WATRIUM AS	1 100 000	0,93 %
ODIN NORGE	1 057 050	0,89 %
TEIGEN FRODE NAKA RACHA TLD, 87/2	1 000 000	0,84 %
Total 20 largest shareholders	91 620 843	77,30 %
Other shareholders	26 909 490	22,70 %
Total	118 530 333	100,00 %

Awilco Offshore group
All figures in NOK 1000

Fixed assets

	Accommodation units		Jack-up rigs		Other assets	
	2005	2004	2005	2004	2005	2004
Acquisition cost per 1 January	656 720	486 495	150 854	0	0	0
Acquisition, capitalized costs	0	0	0	0	0	0
Newbuilding, upgrade, reconstruction	41 151	170 225	505 241	150 854	623	0
Sale of assets	0	0	0	0	0	0
Acquisition cost per ending balance	697 871	656 720	656 096	150 854	623	0
Accumulated depreciation per 1 January	(90 476)	(49 671)	0	0	0	0
Sale of assets	0	0	0	0	0	0
Depreciation	(26 216)	(40 805)	0	0	0	0
Accumulated depreciation per ending balance	(116 693)	(90 476)	0	0	0	0
Net book value per ending balance	581 179	566 244	656 096	150 854	623	0

The Company has entered into four newbuilding contracts to build jack-up drilling rigs. The contracts are distributed with two contracts at the PPL yard and two at the Keppel yard. See further explanation of the contracts in chapter 4 in the Prospectus.

The capitalized amounts on the jack-up drilling rigs includes the installments paid to the yards according to the Constuction contracts, initial project costs, project management costs, capitalized interests and other costs directly associated with the newbuilding program.

Segment information

	2Q 2005				2004, pro forma		
	Accom rigs	Jack up rigs	Other	Total	Accommodation rigs		
					Ngaap	IFRS/other adjustments	IFRS
Operating income	86 445	0	0	86 445	270 731		270 731
Operating costs	(66 184)	0	0	(66 184)	(134 918)	(1 431)	(136 349) 1)
	20 261	0	0	20 261	135 813		134 382
Administrative costs	(809)	(1 184)	(7 491)	(9 484)	(6 093)	(15 000)	(21 093) 2)
Net operating income bef depreciation (EBITDA)	19 452	(1 184)	(7 491)	10 777	129 720		113 290
Depreciation	(26 216)	0	0	(26 216)	(50 083)	9 278	(40 805) 3)
Net operating income (EBIT)	(6 764)	(1 184)	(7 491)	(15 439)	79 637		72 484
Assets	581 179	656 719					
Long term debt	426 364	77 251					
Investments	41 151	505 241					

Explanations to the adjustments to the segment information:

- 1) Accrued docking expenses are reversed from the operating costs.
- 2) Pro forma adjustment for estimated management fee for 2004. See accounting policies for more information on pro forma adjustments.
- 2) Depreciation is adjusted according to IFRS standards as explained under accounting principles.

Analytical information for 2003 and 2002

The information for 2003 and 2002 is extracted from the offshore segment information as shown in the financial reports for Awilco AS. No pro forma adjustments are rolled back to 2003 or 2002.

	2003, extract from Awilco AS' segment info				2002, extract from Awilco AS' segment info		
	Ngaap	IFRS adjustments	IFRS		Ngaap	IFRS adjustments	IFRS
Operating income	134 015		134 015		83 333		83 333
Operating costs	(80 506)	2 400	(78 106) 1)		(39 773)	600	(39 173)
	53 509		55 909		43 560		44 160
Administrative costs	(2 210)		(2 210) 2)		(1 014)		(1 014)
Net operating income bef depreciation (EBITDA)	51 299		53 699		42 546		43 146
Depreciation	(36 985)	4 305	(32 680) 3)		(17 025)	4	(17 020)
Net operating income (EBIT)	14 314		21 018		25 521		26 125