

Noreco is an oil and gas
company in the
North Sea

North Sea

Noreco quarterly report,
first quarter 2008

Report for Q1 2008

Norwegian Energy Company ASA

HIGHLIGHTS

- Noreco Group's had operating income of NOK 436 mill, earnings before interest, tax, depreciation and amortisation (EBITDA) of NOK 273 mill and a net result of NOK -28 mill.
- Production of 9 950 boed realised at an average price of 91 USD/boe in the quarter
- New Noreco price record set for sale of oil at 106.4 USD/boe
- Successful longreach well at the Brage field
- Successful appraisal of the Huntington, Nemo and Oselvar discoveries – the first five wells of the extensive exploration and appraisal have been successfully completed
- Process for highgrading of portfolio initiated through two transactions
- Continued growth of the organisation, 10 new employees have joined the company in Q1.

strike price of USD 75 per barrel for a total of 1.76 million barrels of oil for the period April 2008 through March 2009.

Brage Well A-28B was completed and put on production in mid February. The well has high productivity and is currently choked back to a rate of 12 000 bopd. As a result of the successful A-28B well, the Brage field is now able to sustain production rates of 25 000–30 000 bopd.

The Brage drilling is continuing with drilling a gas injector to the Sognefjord fm. The well is expected to be completed mid year, followed by drilling an exploration/production well to the Talisker/Knockandoo prospect on the Brage North flank.

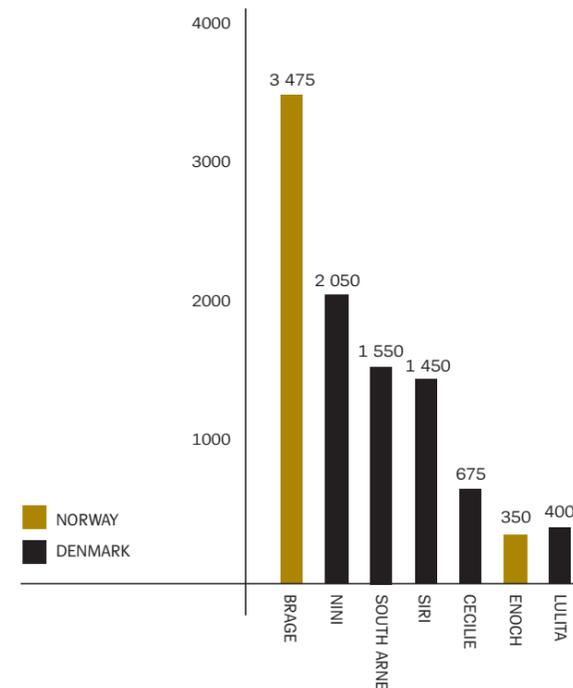
Brage production Q1 has been higher than estimated, caused primarily by the very good production performance of the A-28B well.

OPERATIONS

Production and fields

The Noreco Group's production for Q1 2008 was on average 9 950 barrels of oil equivalents per day (boed). The graph shows the net production from each of the seven fields in the portfolio.

During this quarter, the company acquired put options with



Enoch production has in Q1 stabilised following the start up of the gas lift operations in January to help the lift performance for the Enoch production well. A engineering feed study is ongoing to define the scope and cost of implementing Enoch low pressure production in 2009.

On the **South Arne** field the SA-19 well is still producing from an uncompleted wellbore, where the broken drill string serves as a production liner. Full completion is now expected in Q2 2008. The Operator succeeded early February 2008 in removing a plug in the SA-9 well, whereby the initial production before clean up was 1 400 barrels per day plus associated gas. The intervention was made by a relatively cheap coiled tubing operation, saving a budgeted expensive rig intervention.

On the **South Arne Northern Extension (SANE)** a project sanction is targeted by end 2008, but could slip into 2009.

On the **South Tor Prospect**, south of the South Arne main producing area and an appraisal well is planned to be drilled Q2/Q3 2008.

On the **Siri** field, the Ensco-70 rig has, after more than a month waiting on weather – been drilling the SCA-12 infill well, now expected to come on production by end of April 2008. The platform was shut down for two days in January in an unsuccessful attempt to move the rig to the platform. The repaired water injection pipeline from Siri to Stine Segment 1 and Nini has been operated satisfactorily at a reduced pressure since temporary repair in November 2007. A rebuilding of the water injection pipeline is expected in 2009.

On the **Nini** field the production from the new well to the Ty reservoir is stable and water free level at approximately 6 000 barrels oil per day.

Activities in relation to the **Nini East** development are on track. The development plan comprises an unmanned well-head platform tied back via Nini to the Siri platform. Reserves are estimated at 16 million barrels oil equivalents of which Noreco's share is 30%. The operator Dong is targeting a production starting in Q4 2009.

On **Cecilie** production has been fairly stable during the quarter, and no development activities have taken place.

On **Lulita** production has been fairly stable during the quarter, but with some shut downs caused by maintenance on the down stream DUC infrastructure.

Exploration and appraisal

Activities in Q1 2008 have been dominated by appraisal drilling on Oselvar, Nemo and Huntington.

Activities during Q1 2008 have focused on the appraisal drilling programme on three discoveries, the Oselvar and Nemo discoveries on the NCS and the Huntington discovery on the UKCS.

Noreco is a 20% partner in the discovery 22/14b-5 **Huntington** in UK license P1114. Oilexco is the operator. Two significant discoveries of oil in sandstone reservoirs of Paleocene and Jurassic/Triassic age were made in 2007. Well 22/14b-6 was completed in December. The well penetrated the Forties Formation in a total eight locations and a well test was completed over two intervals in the Forties Formation. The well results are positive and a full interpretation is currently being performed to look at volumes and development scenarios. Well 22/14b-8 was spudded immediately following the 22/14b-6 well with the primary objective of appraising the Fulmar Formation down dip of the 22/14b-5 discovery well. The well also penetrated the flank of the Forties Formation. The well was completed in early February. The data from the appraisal campaign (Forties and Fulmar wells) are currently being evaluated, and in parallel the operator is looking at development options for the field. Further discussions on development activities and concept will be ongoing in Q2 2008.

The PL148 **Nemo** 7/7-3 appraisal well was spudded in December 2007. Noreco holds 20% of the field. The well was completed in early March. The well data confirms the pre-drill resource estimates, and also allows for further upside potential in the discovery. 2008 activities in the license will be to integrate the well results into an evaluation of commerciality for the Nemo discovery.

The **Oselvar** discovery (1/3-6) has been appraised with Wells 1/3-10S and 10SA. Noreco acquired 15% of this PL 274 from Revus in 2007. The Operator plans to submit a Plan for Development and Operation in 2008, and all supporting activities are well underway. An additional well on a separate nearby prospect, Ipswich, is planned to be drilled in May this year.

Noreco, as operator for the Danish license 7/06, continues according to schedule to evaluate the commercial potential and development of the **Rau** oil discovery appraised in 2007. The discovery is located just 9 km southwest of the Cecilie production platform.

The government requested the companies to nominate blocks for inclusion into the Norwegian **20th Round**, announced to take place during 2008. Noreco nominated several blocks and continues the work towards applications later this year.

Noreco is planning to apply in the 25th UK licensing round, and preparations are well underway. Several areas are under study, both alone and in cooperation with other companies.

On PL271, the exploration well 7/1-2, targeting **Yoda** Prospect with a primary objective at Upper Jurassic level, spudded on 20 March, 2008. The well is currently progressing without major problem and results are expected in May.

GROWTH AND BUSINESS DEVELOPMENT

Noreco continue to believe that significant value can be generated through inorganic activity, and plans to continue its active approach to acquisitions and divestures. Having built a significant and focused North Sea E&P portfolio in 2007, the company has started and will continue to high grade its portfolio in 2008. This could include farm-outs, swaps, acquisitions, relinquishments and sales.

Noreco entered on 27 February into an agreement with Faroe Petroleum to farm-out exploration licenses PL271 and PL302 on the Norwegian Continental Shelf. Faroe Petroleum will earn a 15% interest in the licenses by carrying Noreco's part of the costs up to the drilling budget associated with the Yoda well that started drilling in March by the operator StatoilHydro with the rig Maersk Giant. Completion of the transaction is expected to take place 30 April 2008.

Noreco originally acquired a 40% interest in licenses PL271 and PL302 from Dong in 2006, and subsequently sold 10% of the licenses to Talisman against a 17.5% interest in PL347

and PL348 in the Norwegian Sea. On PL348, the **Galtvort** exploration well is expected to spud in April this year.

Noreco has received all approvals required from the license partners for its acquisition of a 12% interest in licence 9/06 (Gita) and licence 9/95 (Maja) on the Danish Continental Shelf and the agreement entered into with Chevron on 8 November 2007 will now be formally completed following authority approval expected to be received shortly. An exploration well targeting two potential plays with a gross resource estimate of 493 mmboe is scheduled to be drilled during the summer 2008 with the rig Ensco 101.

Noreco entered on 14 April 2008 into an agreement with Faroe Petroleum to sell a 10% interest in licenses PL006C and PLO06D on the Norwegian Continental Shelf, including the South East Tor discovery. Faroe Petroleum will earn a 10% interest in the licenses by carrying NOK 140 mill of all of Noreco's costs associated with the licenses. Two wells will be drilled on the licenses by the operator Lundin with the rig Maersk Gallant in Q4 2008/Q1 2009. Noreco's interest in the licenses after the transaction will be 15%.

DRILLING AND PROJECTS

Noreco continues to participate very actively in the licences; in field development and well planning and in ongoing operations. Through the rig consortium for the rig West Alpha that Noreco is part of, Noreco has sourced a rig to license PL348 for drilling of the Gygrid prospect in licence PL348 in February 2009. The operator of the well will be StatoilHydro, and the rig slot is incremental to Noreco's rig capacity. Noreco's first operated exploration well (license PL412 in Norway) will be drilled with the rig West Alpha immediately after the Gygrid well. Planning of the PL412 well is well underway, and long lead items will be ordered in Q2 2008.

HEALTH, SAFETY AND ENVIRONMENT

There were three lost time accidents and one spill to sea from Noreco's non-operated activities in Q1 2008, two on the Dong-operated Siri field and one on the Hess operated South Arne field. On the Dong-operated Cecilie field there was a 4.2 m³ diesel spill to sea, which was reported to the authorities in Denmark

A positive meeting with Energistyrelsen in Denmark was held in February, with focus on the Noreco organisation's capability, capacity and future plans.

Noreco's management system is being updated, and the plan is to finalise the update before Q4 2008. A security assessment has been conducted in Noreco, and recommendations from the assessment are being implemented.

Other ongoing health, safety and environment activities include environmental impact assessment for the Rau discovery, development planning of Huntington and HSE studies in conjunction with the 25th licensing round in the UK.

An extensive rebuilding of the company offices in Stavanger has been carried out without any injuries. All employees at the head office in Stavanger are now co-located in the same offices in central Stavanger.

The absence due to sickness percentage is very low at approximately 1.5%.

A Work Environment Committee has been established and a meeting schedule is agreed. Ergonomic assistance from a physiotherapist for adjustment of furniture in the new offices is ongoing. More than 90% of the employees in Norway have been through the yearly health control with the company doctor.

There has been a low turnover of employees the last months. 10 new employees have started in the quarter, five in Denmark and five in Stavanger. By the end of Q1 2008 Noreco had 72 skilled and experienced employees.

*Stavanger, 23 April 2008
The Board of Directors of Norwegian Energy Company ASA*

Income statement

Consolidated – IFRS

IFRS CONSOLIDATED FIGURES

The Noreco Group had Q1 2008 operating revenues of NOK 436 mill and earnings before interest, tax, depreciation and amortisation (EBITDA) of NOK 273 mill. Net result was NOK -28 mill. The achieved oil, gas and NGL prices adjusted for the cost of put-options expiring in the same period was USD 91/boe.

The producing assets are depreciated with NOK 131 mill. Exploration costs are directly expensed with NOK 30 mill.

Net financials in the first quarter was NOK -138 mill.

Noreco has oil price hedging instruments in place, which secure

a major part of expected production volume against oil prices below USD 75 per barrel up to April 2009 and for oil prices below USD 50 per barrel through the first quarter of 2010.

Total equity and liabilities as at 31 March 2008 were NOK 10 391 mill with equity of NOK 1 668 mill. At the end of the quarter, the Group's interest bearing debt was NOK 4 871 mill and the Group held NOK 559 mill in cash.

| All figures in NOK 1000 | Pro forma | | | Pro forma | |
|---|-----------|---------|----------|-----------|-----------|
| | Q1-08 | Q1-07 | Q1-07 | 2007 | 2007 |
| Operating income | 435 763 | 0 | 294 979 | 839 664 | 1 474 174 |
| Production expenses | 80 882 | 0 | 69 242 | 214 830 | 348 746 |
| Exploration expenses | 29 815 | 5 395 | 20 486 | 145 543 | 166 033 |
| Salary expenses | 31 955 | 9 663 | 24 323 | 103 239 | 139 958 |
| Other operating expenses | 20 283 | 3 969 | 17 025 | 48 617 | 75 797 |
| Operating results before depreciation and amortisation (EBITDA) | 272 828 | -19 027 | 163 903 | 327 436 | 743 641 |
| Depreciation and amortisation | 131 349 | 221 | 152 557 | 278 386 | 624 107 |
| Operating result (EBIT) | 141 479 | -19 248 | 11 347 | 49 051 | 119 533 |
| Net financial results | -138 368 | -873 | -152 364 | -298 210 | -609 881 |
| Ordinary result before tax (EBT) | 3 110 | -20 121 | -141 018 | -249 159 | -490 347 |
| Tax | 31 469 | -15 258 | -24 716 | -50 469 | -30 969 |
| Net results | -28 359 | -4 865 | -116 303 | -198 690 | -459 378 |

Balance sheet

Consolidated – IFRS

| All figures in NOK 1000 | 31.03.08 | 31.12.07 | 31.03.07 |
|---|-------------------|-------------------|----------------|
| Fixed assets | | | |
| License interests, exploration assets | 4 577 746 | 4 379 448 | 10 091 |
| Deferred tax assets | 135 206 | 111 391 | 5 147 |
| Goodwill | 1 430 667 | 1 445 992 | 0 |
| Production facilities | 2 661 119 | 2 803 887 | 0 |
| Other machinery and equipment | 5 273 | 6 236 | 1 777 |
| Total fixed assets | 8 810 010 | 8 746 954 | 17 015 |
| Current assets | | | |
| Accounts receivable | 192 107 | 89 820 | 0 |
| Tax receivables | 456 106 | 265 866 | 95 303 |
| Other current receivables | 373 707 | 254 647 | 15 693 |
| Bank deposits, cash in hand, etc. | 558 845 | 973 402 | 44 632 |
| Total current assets | 1 580 765 | 1 583 735 | 155 628 |
| Total assets | 10 390 775 | 10 330 688 | 172 642 |
| Equity | | | |
| Share capital | 346 390 | 345 385 | 31 422 |
| Other equity | 1 321 943 | 1 332 066 | 24 470 |
| Total equity | 1 668 333 | 1 677 451 | 55 892 |
| Provisions and other long-term liabilities | | | |
| Deferred tax liabilities | 2 505 780 | 2 396 463 | 0 |
| Provisions for other liabilities and charges | 679 537 | 712 452 | 252 |
| Convertible loan | 354 048 | 349 232 | 0 |
| Bond issue | 3 741 431 | 3 730 514 | 0 |
| Other long-term liabilities | 537 252 | 523 843 | 0 |
| Total provisions and other long-term liabilities | 7 818 048 | 7 712 504 | 252 |
| Current liabilities | | | |
| Other short term liabilities | 238 598 | 222 000 | 98 500 |
| Accounts payable | 125 596 | 68 974 | 4 746 |
| Taxes payable | 184 055 | 92 765 | 0 |
| Public duties payable | 34 512 | 33 508 | 3 300 |
| Other current liabilities | 321 634 | 523 487 | 9 953 |
| Total current liabilities | 904 394 | 940 733 | 116 498 |
| Total liabilities | 8 722 442 | 8 653 237 | 116 750 |
| Total equity and liabilities | 10 390 775 | 10 330 688 | 172 642 |

Cash flow statement

Consolidated

| All figures in NOK 1000 | Q1-08 | Q1-07 |
|---|-----------------|----------------|
| Ordinary result before tax | 3 111 | -20 121 |
| Depreciation and write-down expenses | 131 349 | 221 |
| Taxes paid | -17 957 | 0 |
| Pension cost with no cash impact | 714 | 0 |
| Effect of changes in exchange rates | 67 888 | 0 |
| Financial items with no cash impact | 21 805 | 0 |
| Change in accounts receivable | -102 287 | 0 |
| Change in accounts payables | 56 622 | -1 106 |
| Changes in other current balance sheet items | -122 430 | -13 462 |
| Net cash flow from operations | 38 815 | -34 468 |
| Cash flow from investments activities | | |
| Purchase of tangible assets | -89 168 | -920 |
| Purchase of intangible fixed assets | -220 584 | 0 |
| Net cash flow from investments activities | -309 752 | -920 |
| Cash flow from financing activities | | |
| Issue of share capital | 9 688 | 4 550 |
| Proceeds from issuance of long term debt | 170 402 | 63 500 |
| Repayment of long term debt | -132 698 | 0 |
| Proceeds from issuance of short term debt | 16 598 | 0 |
| Interest paid | -189 916 | 0 |
| Net cash flow from financing activities | -125 926 | 68 050 |
| Net change in cash and cash equivalents | -396 863 | 32 662 |
| Cash and cash equivalents at start of the year | 973 402 | 11 970 |
| Effects of changes in exchange rates on cash and cash equivalents | -17 694 | 0 |
| Cash and cash equivalents at end of the year | 558 845 | 44 632 |

Statement and changes in equity

Consolidated

| All figures in NOK 1000 | Q1-08 | Q1-07 |
|--|------------------|---------------|
| Balance at the beginning of period | 1 677 451 | 56 208 |
| Issue of share capital | 9 688 | 4 550 |
| Value of share-based incentive plans | 495 | 0 |
| Value adjustment financial instruments | -2 897 | 0 |
| Currency translation differences | 11 954 | 0 |
| Net results for the period | -28 358 | -4 865 |
| Balance at the end of period | 1 668 333 | 55 892 |

Notes

to the quarterly consolidated financial statements

Basis for preparation

The consolidated interim financial statements for the first quarter of 2008 comprises Norwegian Energy Company ASA (NORECO) and its subsidiaries.

The consolidated interim financial statements for the first quarter of 2008 have been prepared in accordance with the regulations of Oslo Stock Exchange and IAS 34 "The interim financial statements". The interim financial statements do not include all information required for annual financial statements and should for this reason be read in conjunction with Noreco's annual report for 2007. The accounting principles applied are prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union and interpretations by the International Accounting Standard Board (IASB).

Basis for preparation of the pro forma figures

The unaudited pro forma financial information has been compiled in connection with the acquisition of Altinex, to illustrate the main effects the acquisition of Altinex ("the transaction" or "the Altinex acquisition") would have had on the consolidated profit and loss statement for Noreco.

The unaudited pro forma condensed profit and loss statement for the year 2007 and the three months ended 31 March 2007 give effect to the acquisition of Altinex ASA if it had occurred on 1 January 2007.

Because of its nature, the pro forma financial information addresses a hypothetical situation and therefore does not represent the company's actual financial results. The pro forma financial information is prepared for illustrative purposes only.

Share capital/equity

There has been one capital increase during Q1. The company raised NOK 10 mill in equity in February 2008. The share capital has thereby been raised from NOK 345.4 mill as per 31.12.2007 to NOK 346.4 mill as per 31.03.2008.

Share options

Noreco has in January 2008 establish an incentive scheme for the management and other employees under which options exercisable into ordinary shares in the Company are granted. As of 31 March 2008 a total of 1 077 051 options had been issued to Noreco Group employees.

Exploration and development costs for oil and gas assets

Exploration costs are accounted for in accordance with the successful effort method. This means that all exploration costs including pre-operating costs (seismic acquisitions, seismic studies, internal man hours, etc.) are expensed as incurred. Exceptions are costs related to acquisition of licenses and drilling of exploration wells. These costs are temporarily capitalised pending an evaluation of the economics of the exploration drilling findings. If hydrocarbons are discovered, the costs remain capitalised. If no hydrocarbons are found or if the discoveries are not commercially profitable, the drilling costs are expensed. All costs of developing oil and gas fields are capitalised.

Depreciation and amortisation

Depreciation of production equipment is calculated in accordance with the unit of production method. The acquisition cost for Altinex is shared between debt and equity in accordance with IFRS principles. The added values which are allocated to producing fields will be amortised in accordance with the unit of production method.

Taxes

Income tax expenses for the period are calculated based on the tax rate applicable to the expected total annual earnings. The ordinary income tax is 25% in Denmark and 28% in Norway. In addition, there is an extra petroleum tax of 50% related to exploration and production on the Norwegian Continental Shelf. In Denmark there is a petroleum tax of 70%, but at current oil price levels the Danish subsidiary will not be in a position where they have to pay the extra petroleum tax.

The deferred tax and tax advantage is based on the difference between book value and fiscal value of assets and liabilities.

Goodwill – Deferred tax liabilities

The acquisitions of Altinex ASA has been treated in accordance with IFRS 3 – Business Combinations. The acquisition prices are allocated to assets and liabilities at the estimated fair values at the acquisition dates. The tax base of the acquired assets and liabilities is not affected by the acquisitions. As all acquisitions are treated as Business Combinations, the difference between new fair values and booked values prior to the acquisitions result in a change in the deferred tax liability. The change in deferred tax liability in turn affects Goodwill. Goodwill is, according to IFRS, not amortised, but will be subject to impairment testing.

1 Production expenses

| (NOK 1 000) | Q1-08 | Q1-07 |
|----------------------------------|---------------|----------|
| Direct production expenses | 53 037 | 0 |
| Duties, tariffs, royalties | 23 461 | 0 |
| Other expenses | 4 384 | 0 |
| Total production expenses | 80 882 | 0 |

2 Exploration expenses

| (NOK 1 000) | Q1-08 | Q1-07 |
|--|---------------|--------------|
| Expenses from operator | 26 928 | 0 |
| Other exploration and evaluation expenses | 2 888 | 5 395 |
| Total exploration and evaluation expenses | 29 815 | 5 395 |

Specification of cash flow concerning exploration and evaluation activities

| (NOK 1 000) | Q1-08 | Q1-07 |
|--|----------------|--------------|
| Accrued exploration and evaluation expenses capitalised as an intangible asset during the year | 220 584 | 0 |
| Accrued exploration and evaluation expenses directly recognised during the year | 29 815 | 5 395 |
| Exploration and evaluation investments during the year | 250 399 | 5 395 |

3 Financial income and expenses

| (NOK 1 000) | | |
|--|-----------------|--------------|
| | Q1-08 | Q1-07 |
| Financial income | | |
| Interest income | 8 334 | 157 |
| Gain on exchange | 17 914 | 57 |
| Total financial income | 26 248 | 214 |
| Financial expenses | | |
| Interest expenses on bond loan | 104 667 | 0 |
| Interest expenses on convertible loan | 6 522 | 0 |
| Interest expenses on other long-term liabilities | 8 509 | 1 048 |
| Amortisation of borrowing expenses | 13 079 | 0 |
| Calculated interest on abandonment liabilities | 8 726 | 0 |
| Interest expenses on short term liabilities | 4 275 | 0 |
| Other financial expenses | 96 | 19 |
| Loss on exchange | 18 743 | 20 |
| Total financial expenses | 164 617 | 1 087 |
| Net financial expenses | -138 368 | -873 |

4 Intangible fixed assets

| (NOK 1000) | Capitalised exploration & evaluation cost | Other patents & licenses | Goodwill | Total |
|---|---|--------------------------|------------------|------------------|
| Acquisition cost at 01.01.08 | 4 317 191 | 62 254 | 1 460 609 | 5 840 054 |
| Additions | 220 584 | 0 | 0 | 220 584 |
| Disposals | 0 | 0 | 0 | 0 |
| Translation differences | -22 283 | 0 | -16 187 | -38 470 |
| Acquisition cost at 31.03.08 | 4 515 492 | 62 254 | 1 444 422 | 6 022 168 |
| Accumulated depreciation | | | | |
| Accumulated depreciation at 01.01.08 | 0 | 0 | 14 617 | 14 617 |
| Depreciations | 0 | 0 | 0 | 0 |
| Translation differences | 0 | 0 | -862 | -862 |
| Accumulated depreciation at 31.03.08 | 0 | 0 | 13 755 | 13 755 |
| Book value at 31.03.08 | 4 515 492 | 62 254 | 1 430 667 | 6 008 413 |

5 Tangible fixed assets

| (NOK 1000) | Production facilities | Abandonment assets | Office supplies & inventory | Total |
|---|-----------------------|--------------------|-----------------------------|------------------|
| Acquisition cost at 01.01.08 | 2 549 547 | 499 966 | 7 692 | 3 057 205 |
| Additions | 89 136 | 0 | 32 | 89 168 |
| Disposals | 0 | 0 | 0 | 0 |
| Translation differences | -86 190 | -29 502 | -231 | -115 923 |
| Acquisition cost at 31.03.08 | 2 552 493 | 470 464 | 7 493 | 3 030 450 |
| Accumulated depreciation | | | | |
| Accumulated depreciation at 01.01.08 | 232 118 | 13 652 | 1 454 | 247 224 |
| Depreciations | 103 488 | 27 092 | 775 | 131 355 |
| Translation differences | -12 604 | -1 909 | -9 | -14 522 |
| Accumulated depreciation at 31.03.08 | 323 002 | 38 835 | 2 220 | 364 057 |
| Book value at 31.03.08 | 2 229 490 | 431 629 | 5 273 | 2 666 391 |

6 Other current receivables

| (NOK 1 000) | 31.03.2008 | 31.03.2007 |
|--|----------------|---------------|
| Cash call (overcall) | 140 665 | 1 265 |
| Underlift of oil | 75 546 | 0 |
| Acquire interests | 5 350 | 157 |
| Financial instruments | 115 943 | 0 |
| Other receivables | 36 203 | 14 271 |
| Total other current receivables | 373 707 | 15 693 |

7 Long-term liabilities

| (NOK 1000) | Nominal value | Book value at 31.03.08 |
|--|------------------|------------------------|
| Bond loan Noreco ASA | 2 300 000 | 2 255 444 |
| Bond loan Noreco ASA | 500 000 | 490 286 |
| Convertible loan Noreco ASA | 430 000 | 354 048 |
| Other long term debt Noreco ASA | 173 602 | 170 802 |
| Bond loan Altinex Oil Norway AS | 300 000 | 296 372 |
| Bond loan Altinex Oil Norway AS | 100 000 | 49 716 |
| Bond loan Geopard A/S | 660 000 | 649 614 |
| Reserve-based debt Altinex Oil Denmark A/S | 382 343 | 366 450 |
| Total long-term liabilities | 4 845 945 | 4 632 731 |

8 Other current liabilities

| (NOK 1 000) | 31.03.2008 | 31.03.2007 |
|---|----------------|--------------|
| Working capital in the licenses | 26 034 | 691 |
| Overlift of Oil | 8 666 | - |
| Accruals in connection with buying licenses | 30 000 | - |
| Cash call (undercall) | 66 175 | - |
| Provisions for interests | 148 751 | 1 420 |
| Employee bonus/salary accruals | 15 369 | 2 946 |
| Other current liabilities | 26 638 | 4 896 |
| Total other current liabilities | 321 634 | 9 953 |

9 Approval of interim financial statements

The interim financial statements were approved by the board of directors on 23 April 2008.

Stavanger, 23 April 2008
The Board of Directors of Norwegian Energy Company ASA



Norwegian Energy Company ASA

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