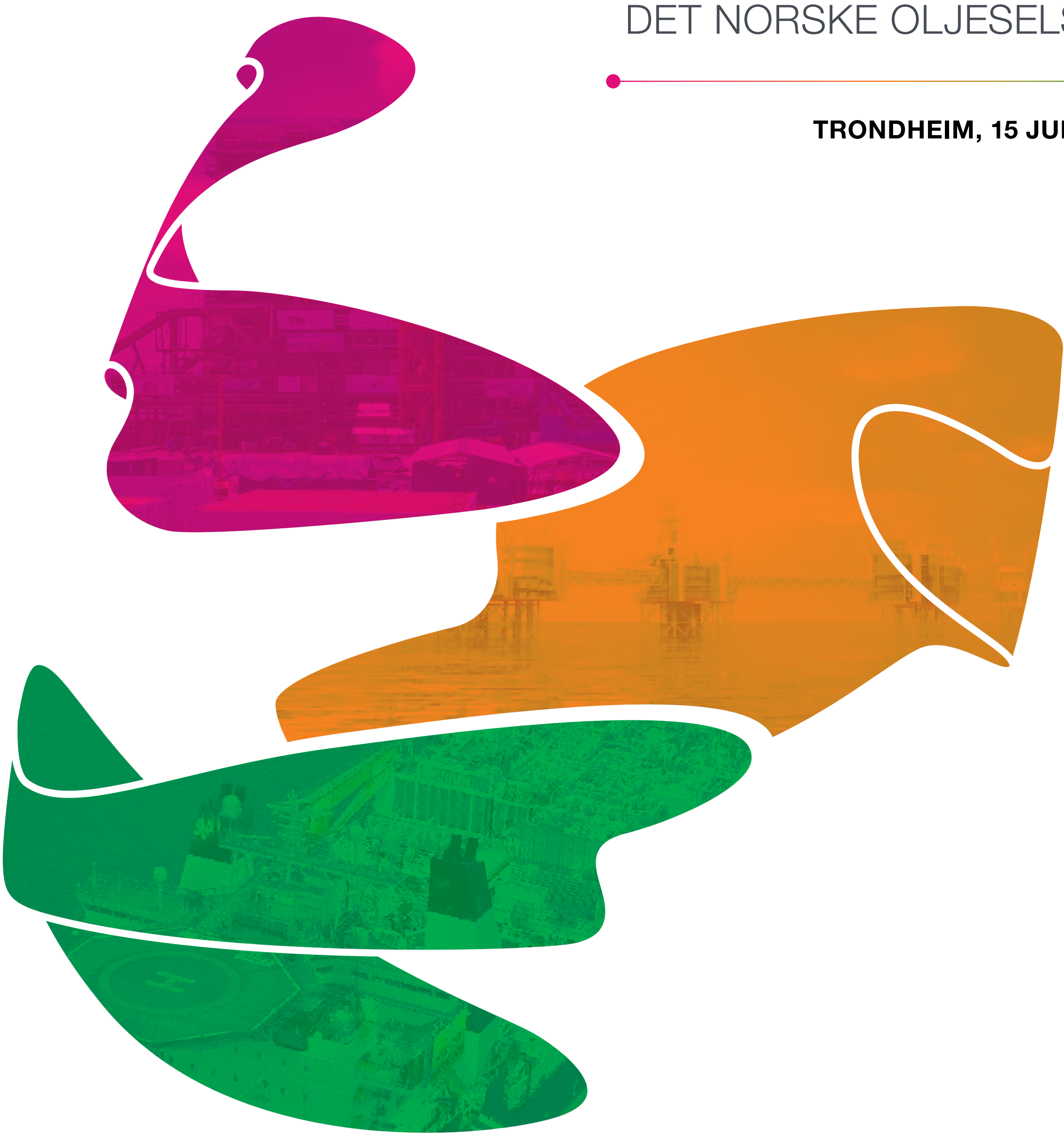
Q2 2015

QUARTERLY REPORT FOR
DET NORSKE OLJESELSKAP

TRONDHEIM, 15 JULY 2015



KEY EVENTS IN Q2 2015

- ***1 April:*** The bondholder meeting in DETNOR02 approved certain amendments to the loan agreement, including removal of the adjusted equity ratio covenant
- ***10 April:*** Det norske announced a small gas discovery at Skirne East in the North Sea
- ***13 May:*** A new issue of USD 300 million subordinated 7 year PIK Toggle bonds were completed
- ***20 May:*** Det norske announced that the Snømus well in the North Sea was dry
- ***10 June:*** The steel jacket to the Ivar Aasen platform was lifted in place on the field

KEY EVENTS AFTER THE QUARTER

- ***1 July:*** Det norske announced the completion of a redetermination process for the RBL, which increased the available borrowing base to USD 2.9 billion and completion of the RCF for USD 550 million
- ***1 July:*** Det norske announced a small oil and gas discovery at Gina Krog East 3
- ***2 July:*** The Ministry of Petroleum and Energy announced the apportionment of the ownership interests in the Johan Sverdrup field, resulting in an 11.5733 percent ownership interest for Det norske

SUMMARY OF FINANCIAL RESULTS

	Unit	Q2 2015	Q2 2014	2015 YTD	2014 YTD
Operating revenues	USDm	337	74	661	100
EBITDA	USDm	239	33	495	31
Net result	USDm	7	27	10	25
Earnings per share (EPS)	USD	0.04	0.19	0.05	0.18
Production cost per barrel	USD/boe	10	30	8	29
Depreciation per barrel	USD/boe	22	55	21	55
Cash flow from operations	USDm	43	39	324	-41
Cash flow from investments	USDm	-225	-149	-487	-264
Total assets	USDm	5 301	1 934	5 301	1 934
Net interest-bearing debt	USDm	2 159	839	2 159	839
Cash and cash equivalents	USDm	188	157	188	157

SUMMARY OF OPERATIONAL PERFORMANCE

	Unit	Q2 2015	Q2 2014	2015 YTD	2014 YTD
Production					
Alvheim (65%)	boepd	32 414	-	35 060	-
Atla (10%)	boepd	494	282	481	515
Bøyla (65%)	boepd	8 320	-	8 331	-
Jette (70%)	boepd	506	1 758	649	1 609
Jotun (7%)	boepd	120	122	135	155
Varg (5%)	boepd	377	535	350	518
Vilje (46.9%)	boepd	6 741	-	6 586	-
Volund (65%)	boepd	9 390	-	10 042	-
SUM	boepd	58 363	2 698	61 634	2 796
Oil price	USD/bbl	65	108	62	108
Gas price	USD/scm	0.27	0.29	0.28	0.29

SUMMARY OF THE QUARTER

Det norske oljeselskap ASA ("the company" or "Det norske") reported revenues of USD 337 (74) million in the second quarter of 2015. Production in the period was 58.4 (2.7) thousand barrels of oil equivalent per day ("mboepd"), realising an average oil price of USD 65 (108) per barrel.

EBITDA amounted to USD 239 (33) million in the quarter and EBIT was USD 122 (20) million. Net earnings for the quarter were USD 7 (27) million, translating into an EPS of USD 0.04 (0.19). Net interest-bearing debt amounted to USD 2,159 million per June 30, 2015.

The company secured approximately USD 1 billion in additional liquidity during the second quarter through issuing a new USD 300 million subordinated bond, raising a new USD 550 million revolving credit facility (RCF) and increasing the available borrowing base under the reserve-based lending facility (RBL) by approximately USD 200 million.

The apportionment of ownership interests in the Johan Sverdrup field was announced by the Ministry of Petroleum and Energy (MPE) in early July, resulting in an 11.5733 percent ownership interest for Det norske. Det norske has decided to appeal the decision made by the MPE to the King in Council.

The Ivar Aasen development progressed well in the second quarter and is on track for first oil in Q4 2016. The steel jacket was lifted in place, drilling of geo-pilots was concluded, the construction of the topside reached 70 percent completion and the living quarter sections were stacked.

Production from the Alvheim area was impacted by the hook-up of the East Kameleon L4 well and a planned shut-in of one export compressor train in May to carry out a planned maintenance job. Drilling of the second producer at the Bøyla field was completed in April and drilling commenced on the K6 (25/4-K-6, "Kneler 1") infill well.

Two discoveries were made during the quarter at the Skirne East prospect and at the Gina Krog East 3 prospect. The Snømus prospect was dry.

Forward-looking statements in this report reflect current views about future events and are, by their nature, subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future.

All figures are presented in USD unless otherwise stated. Figures in brackets apply to the first quarter 2014 and is not directly comparable as they represent Det norske prior to the acquistion of Marathon Oil Norge AS.

FINANCIAL REVIEW

Income statement

(USD million)	Q2 2015	Q2 2014
Operating revenues	337	74
EBITDA	239	33
EBIT	122	20
Pre-tax profit/loss	63	-4
Net profit	7	27
EPS (USD)	0.04	0.19

Operating revenues in the second quarter were USD 337 (74) million.

Exploration expenses amounted to USD 25 (21) million in the quarter, reflecting dry well cost at Snømus, as well as seismic costs, area fees and G&G activities.

Production costs were USD 51 (7) million, equating to USD 9.5 per barrel of oil equivalents, while other operating expenses amounted to USD 23 (13) million.

Depreciation was USD 117 (13) million, corresponding to USD 22.1 per boe. No impairment was booked in the second quarter mainly due to increase in forward prices compared to 31 March 2015.

The company recorded an operating profit of USD 122 (20) million in the second quarter.

The net profit for the period was USD 7 (27) million after a tax charge of USD 56 (-32) million. This corresponds to a tax rate of 88.5 per cent. This is above the petroleum tax rate mainly caused by currency effects, partly offset by uplift.

Earnings per share were USD 0.04 (0.19).

Statement of financial position

(USD million)	Q2 2015	Q2 2014
Goodwill	1 134	52
PP&E	2 804	667
Cash & cash equivalents	188	157
Total assets	5 301	1 934
Equity	661	543
Interest-bearing debt	2 347	996

Total intangible assets amounted to USD 2,055 (613) million, of which goodwill was USD 1,134 (52) million. Other intangible assets were USD 922 (560) million, with the majority of this relating to excess values from the Marathon Oil Norge AS purchase price allocation. Capitalized exploration expenditures amounted to USD 309 (269) million, with the additions this quarter mainly relating to the Gina Krog and Skirne East wells, offset by the write down on Snømus.

Property, plant and equipment amounted to USD 2,804 (667) million and are detailed in note 5. The company's cash and cash equivalents were USD 188 (157) million as of 30 June, including USD 5 (3) million in restricted bank deposits. Total assets decreased to USD 5,301 (1,934) million at the end of the quarter.

Equity was USD 661 (543) million at the end of the quarter, reflecting the net profit in the period. The equity ratio as of 30 June was 12.5 (28.1) percent.

Deferred tax liabilities amounted to USD 1,354 (0) million and are detailed in note 8. The main part of this tax liability arose from the acquisition of Marathon Oil Norge AS, and it has been relatively stable during the quarter. Interest-bearing debt increased to USD 2,347 (996) million, consisting of the DETNOR02 bond of USD 234 million, the new DETNOR03 bond of USD 295 million and the Reserve Based Lending ("RBL") facility of USD 1,818 million.

Payable taxes were USD 47 (0) million at the end of the quarter, mainly reflecting the expected payments for 2015 incurred taxes.

Statement of cash flow

(USD million)	Q2 2015	Q2 2014
Cash flow from operations	43	39
Cash flow from investments	-225	-149
Cash flow from financing	-41	133
Net change in cash & cash eq.	-224	20
Cash and cash eq. EOQ	188	157

Net cash flow from operating activities was USD 43 (39) million. Taxes paid in the quarter were USD 126 (0) million, reflecting tax instalments in April and June.

Net cash flow from investment activities were USD -225 (-149) million. Investments in fixed assets amounted to USD 213 (107) million for the quarter, mainly reflecting CAPEX on Ivar Aasen, Alvheim and Johan Sverdrup.

Net cash flow from financing activities totalled USD -41 (133) million as the repayment on the RBL facility was USD 41 million higher than the drawing on the new subordinated bond.

Funding

Det norske has been actively working to optimize its capital structure. In the second quarter, certain positive amendments were made to the company's USD 3.0 billion reserve-based lending ("RBL") agreement. These amendments resulted in an immediate increase of the borrowing base availability in the RBL from USD 2.7 to USD 2.8 billion. After the semi-annual redetermination that was concluded at the end of the quarter, the borrowing base availability was further increased to USD 2.9 billion.

During the quarter, a consortium of banks fully underwrote a revolving credit facility (RCF) for USD 500 million. Due to strong demand, the facility was increased to USD 550 million upon syndication. The loan has a tenor of four years and a 1+1 year extension option at the lenders discretion. The loan carries a margin of 4 percent, stepping up by 0.5 percent after 3, 4 and 5 years, plus a utilization fee of 1.5 percent. Covenants are the same as for the company's RBL.

In May, Det norske completed a new issue of USD 300 million subordinated 7 year PIK Toggle bonds with a fixed rate coupon of 10.25 percent. The bonds are callable from year 4 and includes an option to defer interest payments. The bond issue was significantly oversubscribed. The loan was listed on the Oslo Stock Exchange on 13 July 2015.

In April, a bondholder meeting in DETNOR02 took place, where the bondholders accepted to amend the loan agreement under the company's NOK 1.9 billion DETNOR02 bond to harmonize DETNOR02 covenants with those under the company's RBL agreement. As compensation, the bondholders received a 2 percent consent fee, a step-up of the margin of 1.5 percent and a one-off option to put the bonds at 101 percent of par. Bondholders representing NOK 24.5 million nominal worth elected to exercise the one-off put option. The company subsequently sold the bonds at 103.5 percent of par.

Hedging

The company seeks to reduce the risk connected to both foreign exchange rates, interest rates and commodity prices through hedging instruments.

The company has bought oil price put options in order to secure revenues from production. The company has bought put options with a strike of USD 55/bbl for a volume corresponding to 30 percent of the estimated production for the second half of 2015 and 20 percent of the estimated 2016 production.

The company has also put in place certain hedges in order to reduce the foreign exchange risk. In the second quarter, the company entered into a cross currency interest rate swap for the DETNOR02 bond. NOK 1.9 billion with interest rate of 3m NIBOR + 6.50 percent has been swapped to USD 254.8 million at 3m LIBOR + 6.81 percent.

OPERATIONAL REVIEW

Det norske produced 5.3 (0.2) million barrels of oil equivalents ("mmboe") in the second quarter of 2015. This corresponds to 58.4 (2.7) mboepd. The average realized oil price was USD 65 (108) per barrel, while gas revenues were recognized at market value of USD 0.27 (0.29) per standard cubic metre (scm).

Alvheim fields
PL 203/088BS/036C/036D/150 (Operator)

The producing fields Alvheim (65 percent), Volund (65 percent), Bøyla (65 percent) and Vilje (46.9 percent) are tied back to the production vessel Alvheim FPSO.

The production efficiency for the Alvheim FPSO in the second quarter was 95.3 percent, which is lower than in the first quarter, but above target. The reason for the lower production efficiency in the second quarter was a planned shut-in of one export compressor train in May to carry out a planned maintenance job. This shut-in resulted in an equivalent 4 day loss of full production in line with estimated planned duration.

The Bøyla development commenced production from one well on 19 January 2015. The water injection well (M3) was started up 19 March 2015, and the producer is responding well to pressure support. The second production well (Bøyla M-2) is planned to commence production in the third quarter this year.

The drilling rig Transocean Winner completed the workover of the KB-3 well mid May 2015 and the well was successfully brought back on production. The drilling rig subsequently moved to the Kneler field to start the drilling of the K6 well, which is the next Alvheim IOR well. Production is expected to commence in Q4 this year from this well.

The BoaKamNorth project, which consists of a new subsea manifold tied back to the Boa manifold, is also part of the Alvheim IOR project. The progress on the project has been good in the second quarter. The subsea installation is scheduled to be placed on the seabed and hooked up to the existing Alvheim infrastructure in the third quarter of 2015. Production from BoaKamNorth is expected to commence in the middle of 2016.

The Alvheim licensees have decided to develop Viper-Kobra, which comprises two small separate discoveries in the Alvheim area. The two reservoirs each contain approximately 4 million barrels of recoverable oil. Together with gas, total recoverable reserves have been estimated at 9 million barrels of oil equivalent. Drilling of the two production wells is scheduled to start towards the end of Q1 2016 with first oil expected at the end of 2016.

Other producing assets

Production in the quarter increased on Varg, where the gas export has started up again. Oil production from Jotun was slightly reduced in the quarter due to technical issues. Production declined on Jette, while Atla produced better than expected.

Ivar Aasen
PL 001B/242/457 (34.78 percent, operator)

Key activities for the Ivar Aasen project are progressing according to plan with first oil planned for Q4 2016. Ivar Aasen is being developed with a manned production platform. The topside will include living quarters and a processing facility for first stage separation.

In early April, the jacket left the Arbatax yard in Sardinia. Construction of the jacket was completed on schedule and on cost and in early June, the jacket was lifted onto the seabed by the heavy lift vessel Thialf. The piling work has been undertaken by the Wei-Li vessel and was completed mid-July. Pre-drilling activities through the jacket is expected to commence this summer. Laying of pipelines between Ivar Aasen and Edvard Grieg is planned to commence this summer.

The drilling of geo-pilots on the Ivar Aasen field was also completed in the second quarter. While three geo-pilot targets were planned to be drilled during the first half of 2015, five targets were completed within original approved schedule and cost. The Maersk Interceptor jack-up rig has so far performed very well and the geo-pilots have provided valuable information for the placement of the first production wells.

Construction of the topside is progressing well in Singapore. Detailed engineering is completed and the construction of the topside is about 70 percent complete. Key equipment has arrived at the site and has to a large extent been installed. The crane cabin and the crane boom were lifted in place on top of the main module in the beginning of June. Pipe fabrication and installation is ongoing, and cable pulling has commenced. Around 2,000 people are now working on construction of the Ivar Aasen modules at the site in Singapore and the activity level is at its peak in the yard. Onshore commissioning is scheduled to commence this autumn and the topside is scheduled to be mechanical complete by year end 2015. Sail-away is planned for spring 2016.

The living quarter sections were stacked at Stord in Norway on 13 June 2015. The upper floors were jacked up and installed on top of the steel section and the living quarter has now reached its full height of 50 metres.

Johan Sverdrup
PL 265/501/502 (11.5733 percent, partner)

The plan for development and operation (PDO) for Phase 1 of the Johan Sverdrup development was endorsed by the Norwegian Parliament (Stortinget) on June 18, after being submitted to the Ministry of Petroleum and Energy in February. The PDO confirms a project timeline with production expected to commence in the fourth quarter 2019.

The first contracts were awarded during the first half of 2015. Kværner will construct the riser platform jacket and, as a joint venture with KBR, the topside for the utility and living quarter platform. Aker Solutions was awarded the contract for the engineering and procurement management for the riser and processing platform topsides, whereas Aibel will construct the drilling platform topside. Samsung won the fabrication contract for the riser and processing platform. ABB has been awarded the contract for delivery of power from shore for phase 1 and Odfjell Drilling won the contract for the drilling of production wells from the rig Deepsea Atlantic. Allseas (Pioneering Spirit) won the contract for installation of the drilling, processing and living quarter platforms. Baker Hughes was awarded the onshore contract for integrated drilling services.

For Det norske, it was always a decisive principle that the ownership interests in Johan Sverdrup should be distributed according to a combination of volume and value. After Det norske did not sign the unit agreement in February, where the company received a preliminary ownership interest of 11.8933 percent, the MPE was requested to determine the unit interest for the Johan Sverdrup field by the four other licensees.

The MPE announced on 2 July the apportionment of the ownership interests in the Johan Sverdrup field. In the decision, Det norske was attributed a total ownership interest in the Johan Sverdrup field of 11.5733 percent. Det norske has decided to appeal the decision made by the MPE to the King in Council, as the highest level of the Norwegian administrative authorities.

Based on the MPE's decision for ownership in the field, Det norske's pro-forma 2P reserves are 477 mmboe, where Johan Sverdrup account for 271 mmboe, based on the operator's full field reserve estimate.

Gina Krog
PL 029B/029C/048/303 (3.3 percent, partner)

The Gina Krog field is moving forward with scheduled start-up of production in the first quarter of 2017.

The development plan for the field includes a steel jacket and integrated topside with living quarters and processing facilities. Oil from Gina Krog will be exported to the markets with shuttle tankers while exit for the gas is via the Sleipner platform.

In late June, the Heerema's heavy-lift vessel Hermod completed the lifting of the steel jacket onto the seabed. Start pre-drilling of production wells is planned for later this summer.

HEALTH, SAFETY AND THE ENVIRONMENT

HSE is always the number one priority in all Det norske activities. The company ensures that all its operations and projects are carried out under the highest HSE standards in the oil industry.

During the second quarter, several initiatives were delivered, including an integrated system for management and follow-up of audits, emergency response exercises, deviations and incidents. Furthermore, a new process for risk management has been implemented in the company.

The Petroleum Safety Authority (PSA) conducted four audits of Det norske's activities in the second quarter, relating to information security, close-out documentation for the Ivar Aasen jacket, fabrication of spools for the Ivar Aasen field and barrier management for the Ivar Aasen platform. No deviations were reported by PSA, but areas for improvement were mentioned. In addition, the Norwegian Maritime Directorate, the Norwegian Radiation Protection Agency, the Norwegian Petroleum Directorate and the Environmental Agency have performed audits without any significant issues identified.

Five events were reported to the PSA during the second quarter, including two preparations for evacuation, one lost time incident with low potential, one dropped object and one minor spill of oil-based mud on a supply vessel.

Events are followed up and, if required, investigated according to procedures before lessons learned are implemented. With the high current activity level, special attention is paid to preventing injuries and undesired events at all levels in the organization.

EXPLORATION

During the quarter, the company's cash spending on exploration was USD 25 million. USD 25 million was recognized as exploration expenses in the period, relating to the Snømus exploration well, seismic, area fees and G&G costs.

Skirne East
PL627 (20 percent, partner)

In April, a gas discovery on the Skirne East prospect in the North Sea was announced. The well encountered a 10-metre gross gas column in the Middle Jurassic (Hugin formation) with good reservoir qualities. The well was not formation tested, but data collection and sampling were carried out.

Preliminary volume estimates for the discovery are in the range of 3 – 10 million barrels of oil equivalent. The licensees will evaluate the discovery with regards to a potential development.

Snømus
PL672 (25 percent, partner)

Drilling of exploration well 15/12-24 S in production license 672 in the North Sea was completed in May as a dry hole.

Gina Krog East 3
PL303 (3.3 percent partner)

In late June, an oil and gas discovery was made at the East 3 prospect in the Gina Krog Unit. A main well and two sidetracks encountered gas and oil in the Hugin and Sleipner formations.

Initial analysis indicates that the wells have proven in the range of 6 – 13 million barrels of oil equivalent recoverable. Further studies will be undertaken to evaluate if the discovery can be produced as part of a future area development solution.

REPORT FOR THE FIRST HALF 2015

(USD million)	Per 30 June 2015	Per 30 June 2014
Oil and gas production (mboepd)	61.6	2.8
Oil price (USD/bbl)	62	108
Operating revenues (USDm)	661	100
EBITDA (USDm)	495	31
Net result (USDm)	10	25
Net interest-bearing debt (USDm)	2,159	839

During the first six months, the company reported operating revenues of USD 661 (100) million. Production in the period was 61.6 (2.8) thousand barrels of oil equivalent per day ("mboepd"), realising an average oil price of USD 62 (108) per barrel.

EBITDA amounted to USD 495 (31) million in the period and EBIT was USD 203 (-24) million. Net earnings for the period were USD 10 (25) million, translating into an EPS of USD 0.05 (0.18).

Per June 30, 2015, the company had net interest-bearing debt of 2,159 million and undrawn credit of about USD 1.6 billion.

The Alvheim fields have had good operations and high uptime in the first half of 2015. First oil from Bøyla was achieved in January and the East Kameleon L4 well commenced production in April. The licensees decided to develop Viper-Kobra, which comprises two small discoveries in the Alvheim area.

The Ivar Aasen development had good progression during the first half of 2015. Early in 2015, drilling of geo-pilot wells commenced with the Maersk Interceptor drilling rig and the steel jacket construction was completed in Arbatax, Sardinia. In June, the jacket was installed on the seabed by the heavy lift vessel Thialf. The construction of the topside at the SMOE yard in Singapore is more than 70 percent complete. Installation is scheduled for summer 2016 with first oil planned in the fourth quarter 2016.

The plan for development and operation (PDO) for Phase 1 of the Johan Sverdrup development was submitted in February, confirming the project timeline to first oil in Q4 2019.

The capital expenditures for Phase 1 have been estimated at NOK 117 billion (2015 value). The expected recoverable resources from the Phase 1 investments are estimated at between 1.4 and 2.4 billion barrels of oil equivalent. Full field capital expenditures are projected at between NOK 170 and 220 billion (2015 value) with recoverable resources of between 1.7 and 3.0 billion barrels of oil equivalent. Phase 1 has a production capacity of 315 000 to 380 000 barrels of oil equivalent per day. Fully developed, the field can produce 550 000 to 650 000 barrels of oil equivalent per day.

The MPE announced on 2 July the apportionment of the ownership interests in the Johan Sverdrup field. In the decision, Det norske was attributed a total ownership interest in the Johan Sverdrup field of 11.5733 percent. Det norske has decided to appeal the decision made by the MPE to the King in Council, as the highest level of the Norwegian administrative authorities.

Det norske participated in the Krafla Main appraisal well early 2015. Based on the well results and updated evaluations of PL035 and neighbouring PL272, recoverable resources in the two licenses are expected to be 140 – 220 mmboe.

A 3 - 10 mmboe gas discovery was announced at Skirne East in PL627 in April, while the East 3 prospect (Gina Krog Unit) discovered 6 – 13 mmboe oil and gas in June. The Snømus exploration well in PL672 was completed as a dry hole in May.

During the first half of 2015, several financing initiatives were carried out as part of the work to optimize the company's capital structure. The loan agreement under the company's NOK 1.9 billion DETNOR02 bond was amended to harmonize DETNOR02 covenants with those under the company's RBL agreement.

Certain positive amendments were made to the company's RBL, which resulted in an increase in the borrowing base to USD 2.8 billion in May. The borrowing base was further increased to USD 2.9 billion at the end of June.

During the second quarter, the company secured a USD 550 million RCF and issued a USD 300 million subordinated PIK Toggle bond.

RISKS AND UNCERTAINTY

Investment in Det norske involves risks and uncertainties as described in the company's annual report for 2014.

As an oil and gas company operating on the Norwegian Continental Shelf, exploration results, reserve and resource estimates and estimates for capital and operating expenditures are associated with uncertainty. The field's production performance may be uncertain over time.

The company is exposed to various forms of financial risks, including, but not limited to, fluctuation in oil prices, exchange rates, interest rates and capital requirements; these are described in the company's annual report and accounts, and in note 30 to the accounts for 2014. The company is also exposed to uncertainties relating to the international capital markets and access to capital and this may influence the speed with which development projects can be accomplished.

OUTLOOK

The Ivar Aasen project moves forward and is on track for first oil in Q4 2016. Det norske continues to develop the Alvheim area, and expects to put a total of four new wells on stream in 2015. The Johan Sverdrup project is progressing according to schedule. Det norske awaits the outcome of the appeal process.

With available liquidity of about USD 1.75 billion, the company has a robust financing in place and has secured funding for its work program until first oil at Johan Sverdrup.

Identified measures exceeding the targeted expenditure savings in 2015 of USD 100 million are currently being implemented. Building on this, the company has initiated a project aiming to streamline work processes and further improve the way we operate. These projects are an integral part of the work to strengthen the business and position the company to benefit when market conditions improve.

Expected production for 2015 is reiterated at 58 – 63 mboepd, along with the full year guidance for CAPEX of USD 950 – 1,000 million, exploration expenditures of USD 115 – 125 million and production cost of USD 8 – 10 per barrel of oil equivalents.

FINANCIAL STATEMENTS WITH NOTES

INCOME STATEMENT (Unaudited)

		Q2		01.01.-30.06	
(USD 1 000)	Note	2015	2014	2015	2014
Petroleum revenues	2	336 084	23 449	659 832	48 841
Other operating revenues		1 152	50 855	1 582	51 385
Total operating revenues		**337 236**	**74 304**	**661 414**	**100 227**
Exploration expenses	3	24 949	21 027	39 471	41 067
Production costs		50 686	7 417	90 035	14 448
Depreciation	5	117 354	13 443	239 578	27 991
Net impairment losses	4			52 773	27 402
Other operating expenses	6	22 550	12 896	36 947	13 721
Total operating expenses		**215 539**	**54 782**	**458 805**	**124 629**
Operating profit/loss		**121 697**	**19 522**	**202 609**	**-24 402**
Interest income		913	1 577	1 175	3 566
Other financial income		8 135	2 890	55 759	8 565
Interest expenses		25 204	17 088	51 668	31 291
Other financial expenses		42 367	11 244	63 535	14 606
Net financial items	7	**-58 523**	**-23 865**	**-58 269**	**-33 766**
Profit/loss before taxes		**63 174**	**-4 343**	**144 340**	**-58 167**
Taxes (+)/tax income (-)	8	55 897	-31 627	134 624	-82 867
Net profit / loss		**7 277**	**27 284**	**9 716**	**24 700**
Weighted average no. of shares outstanding and fully diluted		202 618 602	140 707 363	202 618 602	140 707 363
Earnings/(loss) after tax per share		0.04	0.19	0.05	0.18

STATEMENT OF COMPREHENSIVE INCOME (Unaudited)

		Q2		01.01.-30.06	
(USD 1 000)	Note	2015	2014	2015	2014
Profit/loss for the period		7 277	27 284	9 716	24 700
Items which will not be reclassified over profit and loss (net of taxes)					
Exchange differences on translation to USD			-14 541		-6 137
Total comprehensive income in period		**7 277**	**12 743**	**9 716**	**18 563**

STATEMENT OF FINANCIAL POSITION (Unaudited)

(USD 1 000)	Note	30.06.2015	30.06.2014	31.12.2014
ASSETS				
Intangible assets				
Goodwill	5	1 133 930	52 191	1 186 704
Capitalized exploration expenditures	5	309 096	268 847	291 619
Other intangible assets	5	612 421	158 186	648 788
Deferred tax asset	8		133 329	
Tangible fixed assets				
Property, plant and equipment	5	2 803 703	667 135	2 549 271
Financial assets				
Long-term receivables	11	4 725	17 127	8 799
Other non-current assets	9	4 523	46 843	3 598
Calculated tax receivables	8		67 526	
Total non-current assets		**4 868 398**	**1 411 184**	**4 688 778**
Inventories				
Inventories		26 606	5 572	25 008
Receivables				
Accounts receivable	15	53 981	1 761	186 461
Other short-term receivables	10	160 209	123 191	184 592
Other current financial assets		3 136	3 959	3 289
Calculated tax receivables	8		231 090	
Short-term derivatives	14	639		
Cash and cash equivalents				
Cash and cash equivalents	12	187 928	156 995	296 244
Total current assets		**432 499**	**522 568**	**695 594**
TOTAL ASSETS		**5 300 897**	**1 933 752**	**5 384 372**

STATEMENT OF FINANCIAL POSITION (Unaudited)

(USD 1 000)	Note	30.06.2015	30.06.2014	31.12.2014
EQUITY AND LIABILITIES				
Equity				
Share capital	13	37 530	27 656	37 530
Share premium		1 029 617	564 736	1 029 617
Other equity		-405 769	-49 657	-415 485
Total equity		**661 378**	**542 735**	**651 662**
Provisions for liabilities				
Pension obligations		1 883	7 258	2 021
Deferred taxes	8	1 353 978		1 286 357
Abandonment provision	19	501 339	135 183	483 323
Provisions for other liabilities		1 777	85	12 044
Non-current liabilities				
Bonds	17	528 800	402 629	253 141
Other interest-bearing debt	18	1 818 148	401 464	2 037 299
Long-term derivatives	14	17 536	8 331	5 646
Current liabilities				
Short-term loan			192 358	
Trade creditors		39 548	80 833	152 258
Accrued public charges and indirect taxes		9 237	4 374	6 758
Tax payable	8	47 142		189 098
Short-term derivatives	14	5 820		25 224
Abandonment provision	19	7 894	26 862	5 728
Other current liabilities	16	306 416	131 641	273 813
Total liabilities		**4 639 519**	**1 391 017**	**4 732 710**
TOTAL EQUITY AND LIABILITIES		**5 300 897**	**1 933 752**	**5 384 372**

STATEMENT OF CHANGES IN EQUITY (Unaudited)

(USD 1 000)	Share capital	Share premium	Other equity				Total other equity	Total equity
			Other paid-in capital	Other comprehensive income		Retained earnings		
				Actuarial gains/(losses)	Foreign currency translation reserves*			
Equity as of 31.12.2013	**27 656**	**564 736**	573 083	-223	-48 334	-592 818	**-68 292**	**524 100**
Right issue	9 874	469 249			-24 350		-24 350	454 773
Transaction costs, rights issue		-4 368			261		261	-4 107
Profit/loss for the period 1.1.2014 - 31.12.2014				-897	-43 069	-279 139	-323 105	-323 105
Settlement of defined benefit plan				1 016		-1 016		
Equity as of 31.12.2014	**37 530**	**1 029 617**	573 083	-105	-115 491	-872 972	**-415 485**	**651 662**
Profit/loss for the period 1.1.2015 - 30.06.2015						9 716	9 716	9 716
Equity as of 30.06.2015	**37 530**	**1 029 617**	573 083	-105	-115 491	-863 256	**-405 769**	**661 378**

* At 15 October 2014, the presentation currency was changed to USD retrospectively as if USD had always been the presentation currency. For each category of the opening equity as at 1 January 2013, the historical rates was used for translation to USD, and therefore an exchange reserve was established which represents the fact that the presentation currency is different from the functional currency in the periods presented prior to the change in functional currency to USD as at 15 October 2014. For each period presented prior to the change in functional currency, the ending balance of total equity is translated to USD using the end rate.

STATEMENT OF CASH FLOW (Unaudited)

		Q2		01.01.-30.06		Year
(USD 1 000)	Note	2015	2014	2015	2014	2014
Cash flow from operating activities						
Profit/loss before taxes		63 174	-4 343	144 340	-58 167	-375 624
Taxes paid during the period		-126 364		-190 506		-109 068
Tax refund during the period						190 532
Depreciation	5	117 354	13 443	239 578	27 991	160 254
Net impairment losses	4			52 773	27 402	346 420
Accretion expenses	7,19	6 551	2 166	12 947	4 281	12 410
Gain/loss on licence swaps without cash effect			-49 708		-49 708	-49 765
Changes in derivatives	7	3 038	524	-8 746	136	10 616
Amortization of interest expenses and arrangement fee	7	5 077	1 608	11 679	3 256	26 711
Amortization of fair value of contracts assumed in the Marathon acquisition	16	-2 878		-2 878		
Expensed capitalized dry wells	3	10 185	4 943	9 876	16 993	99 061
Changes in inventories, accounts payable and receivables		-86 177	65 757	-261 163	28 634	-530 150
Changes in abandonment liabilities through income statement						-1 952
Changes in other current balance sheet items		53 407	4 599	316 349	-41 866	483 345
Net cash flow from operating activities		**43 366**	**38 989**	**324 250**	**-41 048**	**262 791**
Cash flow from investment activities						
Payment for removal and decommissioning of oil fields	19	-2 042	-380	-3 176	-823	-14 087
Disbursements on investments in fixed assets	5	-212 561	-106 584	-451 463	-203 114	-583 200
Acquisition of Marathon Oil Norge AS (net of cash acquired)						-1 513 591
Disbursements on investments in capitalized exploration expenditures and other intangible assets	5	-10 709	-50 498	-31 914	-69 316	-164 128
Sale/farmout of tangible fixed assets and licences			8 848		8 848	8 862
Net cash flow from investment activities		**-225 312**	**-148 614**	**-486 553**	**-264 404**	**-2 266 144**
Cash flow from financing activities						
Net proceeds from equity issuance						474 755
Repayment of short-term debt						-162 434
Repayment of bond (detnor 01)						-87 536
Repayment of long-term debt	18	-330 000		-330 000	-47 630	-1 147 934
Arrangement fee		-11 313		-11 313		-67 350
Gross proceeds from issuance of long-term debt	17	300 000	51 488	400 000	116 805	2 897 354
Proceeds from issuance of short-term debt			81 859		114 602	116 829
Net cash flow from financing activities		**-41 313**	**133 346**	**58 687**	**183 778**	**2 023 684**
Net change in cash and cash equivalents		**-223 258**	**23 721**	**-103 616**	**-121 675**	**20 331**
Cash and cash equivalents at start of period		411 691	137 140	296 244	280 942	280 942
Effect of exchange rate fluctuation on cash held		-504	-3 866	-4 699	-2 271	-5 029
Cash and cash equivalents at end of period		**187 928**	**156 995**	**187 928**	**156 995**	**296 244**
Specification of cash equivalents at end of period						
Bank deposits		182 802	154 493	182 802	154 493	291 346
Restricted bank deposits		5 126	2 502	5 126	2 502	4 897
Cash and cash equivalents at end of period	12	**187 928**	**156 995**	**187 928**	**156 995**	**296 244**

NOTES

(All figures in USD 1 000)

These interim financial statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the EU (IFRS) IAS 34 "Interim Financial Reporting", thus the interim financial statements do not include all information required by IFRS and should be read in conjunction with the companies annual financial statement as at 31 December 2014. These interim financial statements have not been subject to review or audit by independent auditors.

Note 1 Accounting principles

The accounting principles used for this interim report are in all material respect consistent with the principles used in the financial statement for 2014. There are no new standards effective from 1 January 2015, but there are some annual improvements cycles as described in the annual report 2014. These changes have no significant effect for the company.

As more fully described in the annual report, the company changed its presentation currency from NOK to USD effective 15 October 2014. Accordingly, the interim financial information for Q2 2014 presented herein that was historically presented in NOK has been restated as if the USD had always been the presentation currency.

There has been made a minor change in the presentation of the line items in the Income statement since Q4 2014. The company will no longer present payroll expenses separately, as these costs are fully allocated to other items, such as production cost for producing licenses and development cost for fields under development. The cost previously presented as payroll is mainly classified as other operating expenses in the Income statement and comparative figures have been adjusted accordingly. Additionally, area fee which prior to 2015 was included in other operating expenses is now reclassified to exploration expenses and comparative figures have been adjusted accordingly.

Note 2 Petroleum revenues

	Q2		01.01.-30.06	
Breakdown of revenues (USD 1 000)	**2015**	**2014**	**2015**	**2014**
Recognized income oil	306 826	23 261	594 703	44 305
Recognized income gas	28 375	-745	63 515	2 839
Tariff income	883	933	1 614	1 697
Total petroleum revenues	**336 084**	**23 449**	**659 832**	**48 841**
Breakdown of produced volumes (barrels of oil equivalent)				
Oil	4 658 320	207 380	9 752 709	403 140
Gas	652 728	38 095	1 403 074	102 905
Total produced volumes	**5 311 049**	**245 475**	**11 155 783**	**506 045**

Note 3 Exploration expenses

Breakdown of exploration expenses	Q2		01.01.-30.06	
(USD 1 000)	**2015**	**2014**	**2015**	**2014**
Seismic, well data, field studies, other exploration costs	7 881	7 884	15 127	10 799
Recharged rig costs	-6	-3 160	407	-10 862
Exploration expenses from licence participation incl. seismic	4 123	6 307	8 847	12 505
Expensed capitalized wells previous years	1 301	1 309	1 292	3 508
Expensed capitalized wells this year	8 884	3 635	8 584	13 390
Payroll and other operating expenses classified as exploration	1 023	3 490	1 055	7 314
Exploration-related research and development costs	116	753	389	1 505
Area fee	1 627	809	3 771	2 909
Total exploration expenses	**24 949**	**21 027**	**39 471**	**41 067**

As mentioned in Note 1, area fee included in other operating expenses prior to 2015, are reclassified to exploration expenses.

The expense of capitalized exploration mainly relates to the dry well at Snømus.

Note 4 Impairments

Impairment tests of individual cash-generating units are performed when impairment triggers are identified. In the second quarter 2015, no impairment triggers have been identified.

As described in previous financial reporting, the technical goodwill recognized in relation to the acquisition of Marathon Oil Norge AS will have limited lifetime as it is fully allocated to the Alvheim CGU. Hence, a quarterly impairment charge is expected if all assumptions remains unchanged. However, in Q2 2015 there has been an increase in the oil and gas forward curves compared to Q1 2015 and the company's calculation shoes that no impairment charge is needed. In Q1 2015 the impairment of this technical goodwill amounted to USD 52 773 thousand.

Note 5 Tangible assets and intangible assets

Tangible fixed assets (USD 1 000)	**Assets under development**	**Production facilities including wells**	**Fixtures and fittings, office machinery**	**Total**
Book value 31.12.2014	**1 324 556**	**1 206 077**	**18 639**	**2 549 271**
Acquisition cost 31.12.2014	**1 324 556**	**1 856 371**	**35 684**	**3 216 612**
Additions	225 960	5 875	1 230	233 065
Reclassification	-397 990	398 000		9
Acquisition cost 31.03.2015	**1 152 526**	**2 260 246**	**36 914**	**3 449 686**
Accumulated depreciation and impairments 31.03.2015		752 409	18 058	770 467
Book value 31.03.2015	**1 152 526**	**1 507 836**	**18 857**	**2 679 219**
Acquisition cost 31.03.2015	**1 152 526**	**2 260 246**	**36 914**	**3 449 686**
Additions	172 330	45 148	4 625	222 103
Reclassification*	-54 963	54 963		
Acquisition cost 30.06.2015	**1 269 893**	**2 360 357**	**41 539**	**3 671 788**
Accumulated depreciation and impairments 30.06.2015		848 977	19 109	868 085
Book value 30.06.2015	**1 269 893**	**1 511 381**	**22 430**	**2 803 703**
Depreciation Q2 2015		96 567	1 030	97 597
Depreciation 01.01 - 30.06.2015		198 681	2 043	200 724

*The L4 well in the Alvheim license entered into the production phase during the second quarter 2015 and the related costs are thus reclassified from fields under development to production facilities.

Acquisition cost and historical depreciation as of 31.12.2014 in the table above does not match the corresponding figures in the annual report 2014 as the foreign currency translation reserve from 2014 is no longer presented separately.

Capitalized exploration expenditures are reclassified to "Fields under development" when the field enters into the development phase. Fields under development are reclassified to "Production facilities" from the start of production. Production facilities, including wells, are depreciated in accordance with the Unit of Production Method. Office machinery, fixtures and fittings etc. are depreciated using the straight-line method over their useful life, i.e. 3-5 years. Removal and decommissioning costs are included as production facilities or fields under development.

Intangible assets (USD 1 000)	**Licences etc.**	**Software**	**Total**	**Exploration wells**	**Goodwill**
Book value 31.12.2014	**646 482**	**2 306**	**648 788**	**291 619**	**1 186 704**
Acquisition cost 31.12.2014	**712 237**	**9 064**	**721 301**	**291 619**	**1 556 468**
Additions	1 513	19	1 532	17 301	
Disposals/expensed dry wells				-309	
Reclassification				-9	
Acquisition cost 31.03.2015	**713 750**	**9 083**	**722 833**	**309 219**	**1 556 468**
Acc. depreciation and impairments 31.03.2015	84 718	6 893	91 611		422 538
Book value 31.03.2015	**629 032**	**2 190**	**631 222**	**309 219**	**1 133 930**
Acquisition cost 31.03.2015	**713 750**	**9 083**	**722 833**	**309 219**	**1 556 468**
Additions	954	2	956	10 062	
Disposals/expensed dry wells				10 185	
Acquisition cost 30.06.2015	**714 704**	**9 085**	**723 788**	**309 096**	**1 556 468**
Acc. depreciation and impairments 30.06.2015	104 287	7 080	111 368		422 538
Book value 30.06.2015	**610 416**	**2 004**	**612 421**	**309 096**	**1 133 930**
Depreciation Q2 2015	19 570	187	19 757		
Depreciation 01.01 - 30.06.2015	38 532	322	38 855		
Impairments Q2 2015					
Impairments 01.01 - 30.06.2015					52 773

Acquisition cost and historical depreciation as of 31.12.2014 in the table above does not match the corresponding figures in the annual report 2014 as the foreign currency translation reserve from 2014 is no longer presented separately.

See Note 4 for information regarding impairment charges.

	Q2		**01.01.-30.06**	
Depreciation in the Income statement (USD 1 000)	**2015**	**2014**	**2015**	**2014**
Depreciation of tangible fixed assets	97 597	13 239	200 724	27 248
Depreciation of intangible assets	19 757	204	38 855	743
Total depreciation in the Income statement	**117 354**	**13 443**	**239 578**	**27 991**

Note 6 Other operating expenses

Breakdown of other operating expenses (USD 1 000)	Q2 2015	 2014	01.01.-30.06 2015	 2014
Gross other operating expenses	40 164	44 545	75 927	77 324
Share of other operating expenses classified as exploration, development or production expenses, and expenses invoiced to licences	-17 613	-31 648	-38 980	-63 603
Net other operating expenses	**22 550**	**12 896**	**36 947**	**13 721**

As mentioned in Note 1, the cost item presented as payroll prior to 2015, is now included in other operating expenses.

Note 7 Financial items

(USD 1 000)	Q2 2015	 2014	01.01.-30.06 2015	 2014
Interest income	**913**	**1 577**	**1 175**	**3 566**
Realised gains on financial instruments	193		193	
Return on financial investments	14		24	49
Change in fair value of derivatives	7 928		27 232	390
Currency gains		2 890	28 311	8 126
Total other financial income	**8 135**	**2 890**	**55 759**	**8 565**
Interest expenses	29 242	21 859	54 308	36 954
Capitalized interest cost, development projects	-15 666	-8 546	-27 266	-13 201
Amortized loan costs and accretion expenses	11 628	3 774	24 626	7 537
Total interest expenses	**25 204**	**17 088**	**51 668**	**31 291**
Currency losses	8 527	9 239		11 997
Realized loss on derivatives	22 875	1 479	45 049	2 082
Change in fair value of derivatives	10 966	526	18 486	526
Total other financial expenses	**42 367**	**11 244**	**63 535**	**14 606**
Net financial items	**-58 523**	**-23 865**	**-58 269**	**-33 766**

Note 8 Taxes

Taxes for the period appear as follows (USD 1 000)	Q2 2015	Q2 2014	01.01.-30.06 2015	01.01.-30.06 2014
Calculated current year tax/exploration tax refund	68 083	-43 789	76 163	-68 020
Change in deferred taxes in the Income statement	-10 622	10 063	63 018	-15 675
Tax entered directly against the Income statement		1 885		1 885
Prior period adjustments	-1 564	214	-4 557	-1 058
Tax expenses (+)/tax income (-)	**55 897**	**-31 627**	**134 624**	**-82 867**

Calculated tax receivable (+)/tax payable (-) (USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Tax receivable/payable at 1.1	-189 098	231 972	231 972
Current year tax (-)/tax receivable (+)	-76 163	68 020	581 667
Tax payable related to acquisition of Marathon Oil Norge AS			-910 332
Tax payment/tax refund	190 506		-81 464
Prior period adjustments	10 664		-528
Revaluation of tax payable	16 950		19 574
Foreign currency translation reserve*		-1 376	-29 988
Total tax receivable (+)/tax payable (-)	**-47 142**	**298 616**	**-189 098**

Deferred taxes (-)/deferred tax asset (+) (USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Deferred taxes/deferred tax asset 1.1.	-1 286 357	103 625	103 625
Change in deferred taxes in the Income statement	-63 018	15 675	-484 360
Deferred tax related to acquisition of Marathon Oil Norge AS			-911 363
Prior period adjustment	-6 107	1 058	
Deferred tax related to impairment, disposal and licence transactions	1 504	14 361	14 938
Deferred tax charged to OCI and equity			4 999
Foreign currency translation reserve*		-1 389	-14 195
Total deferred tax (-)/deferred tax asset (+)	**-1 353 978**	**133 329**	**-1 286 357**

*Foreign currency translation reserve arose on the difference between average and currency rates at end of period applied when deriving USD from NOK amounts, as described in the accounting principles note in the annual report 2014.

Reconciliation of tax expense (USD 1 000)	Q2 2015	Q2 2014	01.01.-30.06 2015	01.01.-30.06 2014
27% company tax on profit before tax	17 057	-1 173	38 972	-15 705
51% special tax on profit before tax	32 219	-2 215	73 614	-29 665
Tax effect of financial items - 27% only	1 466	9 927	71 356	13 339
Tax effect on uplift	-23 044	-8 790	-47 445	-18 972
Interest of tax losses carry forward		-1 280		-2 318
Permanent difference - impairment of goodwill		-38 723	41 163	-38 723
Foreign currency translation of NOK monetary items	15 435		-13 693	
Foreign currency translation of USD monetary items	39 260		-82 196	
Revaluation of tax balances**	-28 695		51 623	
Other items (other permanent differences and previous period adjustment)	2 199	10 627	1 231	9 177
Total taxes (+)/tax income (-)	**55 897**	**-31 627**	**134 624**	**-82 867**

**Tax balances are in NOK and converted to USD using the period end currency rate. When the NOK/USD currency rate increases, the tax rate increases as there is less remaining tax depreciation measured in USD.

In accordance with statutory requirements, the calculation of current tax is required to be based on NOK currency. This may impact the tax rate when the functional currency is different from NOK. The main factor in the first half of 2015 is the foreign exchange losses of the USD loans, which is a taxable loss without any corresponding impact on profit before tax.

The revaluation of tax payable is presented as foreign exchange loss/gain in the Income statement, while the impact on deferred tax from revaluation of tax balances are presented as tax.

Note 9 Other non-current assets

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Shares in Alvheim AS	10		10
Shares in Det norske oljeselskap AS	1 021		
Shares in Sandvika Fjellstue AS	1 814	1 950	1 814
Investment in subsidiaries	**2 845**	**1 950**	**1 824**
Debt service reserve		42 787	
Tenancy deposit	1 679	2 105	1 774
Total other non-current assets	**4 523**	**46 843**	**3 598**

Det norske oljeselskap AS was previously named Marathon Oil Norge AS. This company was consolidated in the group accounts for Q4 2014 but is deemed immaterial for Q2 2015 as all activity in previously Marathon Oil Norge AS was transferred to the company during Q4 2014.

Note 10 Other short-term receivables

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Receivables related to deferred volume at Atla*	7 087	4 282	5 866
Pre-payments, including rigs	29 136	36 230	41 682
VAT receivable	5 716	1 672	7 986
Underlift/overlift (-)	24 797	16 572	22 896
Accrued income from sale of petroleum products	53 233		
Other receivables, including operated licences	40 239	64 434	106 162
Total other short-term receivables	**160 209**	**123 191**	**184 592**

*For information about receivables related to deferred volume at Atla, see Note 11.

Note 11 Long-term receivables

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Receivables related to deferred volume at Atla	4 725	17 127	8 799
Total long-term receivables	**4 725**	**17 127**	**8 799**

The physical production volumes from Atla were higher than the commercial production volumes. This was caused by the high pressure from the Atla field which temporarily stalled the production from the neighbouring field Skirne. The Skirne partners have therefore historically received and sold oil and gas from Atla, but from 2014 they started to deliver oil and gas back to the Atla partners. Revenue was recognized based on physical production volumes measured at market value, similar to over/underlift. This deferred compensation is recorded as long-term or short-term receivables, depending on when the deliverance of oil and gas is expected, see also Note 10.

Note 12 Cash and cash equivalents

The item 'Cash and cash equivalents' consists of bank accounts and short-term investments that constitute parts of the company's transaction liquidity.

Breakdown of cash and cash equivalents (USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Cash		1	
Bank deposits	182 802	154 492	291 346
Restricted funds (tax withholdings)	5 126	2 502	4 897
Cash and cash equivalents	**187 928**	**156 995**	**296 244**
Unused revolving credit facility (see Note 18)	550 000		
Unused exploration facility loan		83 426	
Unused reserve-based lending facility (see Note 18)	1 010 000	582 483	593 000

Note 13 Share capital

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Share capital	37 530	27 656	37 530
Total number of shares (in 1 000)	202 619	140 700	202 619
Nominal value per share in NOK	1.00	1.00	1.00

Note 14 Derivatives

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Unrealized gain on currency contracts	639		
Total derivatives included in assets	**639**		
Unrealized losses currency contracts	173		
Unrealized losses interest rate swaps	16 911	8 331	5 646
Unrealized losses commodity derivatives	452		
Long-term derivatives included in liabilities	**17 536**	**8 331**	**5 646**
Unrealized losses currency contracts	56		25 224
Unrealized losses interest rate swaps	78		
Unrealized losses commodity derivatives	5 686		
Short-term derivatives included in liabilities	**5 820**		**25 224**
Total derivatives included in liabilities	**23 356**	**8 331**	**30 870**

The company has different types of hedging instruments. The commodity derivatives are used to hedge the risk of oil price reduction. The company manages its interest rate exposure using interest rate derivatives, including a cross currency interest rate swap. Foreign currency exchange contracts are used to swap USD into foreign currencies, mainly NOK, EUR, GBP and SGD, in order to reduce currency risk related to expenditures. Currently all these derivatives are marked to market with changes in market value recognized in the Income statement.

Note 15 Accounts receivable

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Receivables related to sale of petroleum	52 005	286	182 384
Receivables related to licence transaction		541	285
Invoicing related to expense refunds including rigs	1 203	934	3 792
Other	774		
Total accounts receivable	**53 981**	**1 761**	**186 461**

Note 16 Other current liabilities

Breakdown of other current liabilities (USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Current liabilities related to overcall in licences	26 700	-2 861	195
Share of other current liabilities in licences	143 295	73 208	163 369
Overlift of petroleum	12 223	244	7 508
Fair value of contracts assumed in acquisition of Marathon Oil Norge AS	21 888		22 903
Other current liabilities**	102 310	61 050	79 838
Total other current liabilities	**306 416**	**131 641**	**273 813**

*The negative contract value is related to a rig contract entered into by Marathon Oil Norge AS, which was different from current market terms at the time of acquisition at 15 October 2014. The fair value was based on the difference between market price and contract price. The balance is split between current and non-current liabilities based on the cash flows in the contract, and is amortized over the lifetime of the contract, which ends in 2016.

**Other current liabilities includes unpaid wages and vacation pay, accrued interest and other provisions.

Note 17 Bond

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Principal, bond Nordic Trustee [1)]		96 605	
Principal, bond Nordic Trustee [2)]	234 269	306 024	253 141
Principal, bond Nordic Trustee [3)]	294 532		
Total bond	**528 800**	**402 629**	**253 141**

[1)] The loan was established 28 January 2011 and was repaid in Q4 2014.

[2)] The loan is denominated in NOK and runs from July 2013 to July 2020 and carries an interest rate of 3 month NIBOR + 5 per cent. The principal falls due on July 2020 and interest is paid on a quarterly basis. The loan is unsecured. The company requested certain amendments to the bond agreement in a bondholders' meeting. The changes involved removal of the Adjusted Equity Ratio covenant, and inclusion of two new financial covenants to align the covenants on this bond with the covenants on the reserve-based lending facility. As compensation for approval, the bondholders will receive an increased interest by 1.5 per cent, to 3 month NIBOR plus 6.5 per cent, in addition to a one-time consent fee of 2.0 per cent (flat). On 1 April 2015 the bondholders' meeting approved the requested amendments to the loan agreement in accordance with the proposal made by the company. The effective date of the new loan agreement is 1 April 2015.

[3)] In May 2015, the company completed a new issue of USD 300 million subordinated seven year PIK Toggle bonds with a fixed rate coupon of 10.25%. The bonds are callable from year four and includes an option to defer interest payments.

Note 18 Other interest-bearing debt

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Reserve-based lending facility	1 818 148		2 037 299
Revolving credit facility		401 464	
Total other interest-bearing debt	**1 818 148**	**401 464**	**2 037 299**

The RBL Facility is a senior secured seven-year USD 3.0 billion facility and includes an additional uncommitted accordion option of USD 1.0 billion. The interest rate is from 1 - 6 months LIBOR plus a margin of 2.75 per cent, with a utilization fee of 0.5 per cent on outstanding loan. In addition a commitment fee of 1.1 per cent is paid on unused credit.

At the end of June 2015 the company completed a semi-annual redetermination process with its bank consortium. The new borrowing base availability under the facility has been increased to USD 2.9 billion, up from USD 2.7 billion at the end of 2014. A revolving credit facility ("RCF") of USD 550 million was also completed with a consortium of banks at June 30. The loan has a tenor of four years with extension options of one plus one year at the lenders discretion. The loan carries a margin of 4 per cent, stepping up by 0.5 per cent annually after 3, 4 and 5 years, plus a utilization fee of 1.5 per cent. In addition a commitment fee of 2.2 per cent is paid on unused credit. Covenants are the same as for the company's RBL.

Note 19 Provision for abandonment liabilities

(USD 1 000)	30.06.2015	30.06.2014	31.12.2014
Provisions as of 1 January	489 051	160 413	160 413
Removal obligation from acquisition of Marathon Oil Norge AS			340 897
Incurred cost removal	-3 176	-823	-14 087
Accretion expense - present value calculation	12 947	4 281	12 410
Foreign currency translation reserve*		-1 827	-10 674
Change in estimates and incurred liabilities on new fields	10 410		93
Total provision for abandonment liabilities	**509 233**	**162 045**	**489 051**
Break down of the provision to short-term and long-term liabilities			
Short-term	7 894	26 862	5 728
Long-term	501 339	135 183	483 323
Total provision for abandonment liabilities	**509 233**	**162 045**	**489 051**

*Foreign currency translation reserve arose on the difference between average and currency rates at end of period applied when deriving USD from NOK amounts at 15 October 2014, as described in the accounting principles note in the annual report 2014.

The company's removal and decommissioning liabilities relates mainly to the producing fields.

The company has recognized the first abandonment liabilities on the Ivar Aasen field, as the jackets have been installed during second quarter 2015.

The estimate is based on executing a concept for abandonment in accordance with the Petroleum Activities Act and international regulations and guidelines. The calculations assume an inflation rate of 2.5 per cent and a nominal discount rate before tax of between 3.89 per cent and 5.69 per cent.

Note 20 Contingent liabilities

During the normal course of its business, the company will be involved in disputes, including tax disputes. The company has made accruals for probable liabilities related to litigation and claims based on the management's best judgment and in line with IAS 37. The Management is of the opinion that none of the disputes will lead to significant commitments for the company.

Note 21 Subsequent events

The company has identified the following events that have occurred between the end of the reporting period and the date of this report.

Johan Sverdrup Unitization

On 2 July 2015 the Ministry of Petroleum and Energy announced that they had decided the apportionment of the ownership interests in the Johan Sverdrup field. The decision gives Det norske a total ownership interest of 11.5733 per cent. Det norske has decided to appeal the decision made by the MPE to the King in Council.

Note 22 Investments in jointly controlled assets

Fields operated:	**30.06.2015**	**31.12.2014**
Alvheim	65.000 %	65.000 %
Bøyla	65.000 %	65.000 %
Ivar Aasen Unit	34.780 %	34.780 %
Jette Unit	70.000 %	70.000 %
Vilje	46.904 %	46.904 %
Volund	65.000 %	65.000 %

Fields non-operated:	**30.06.2015**	**31.12.2014**
Atla	10.000 %	10.000 %
Enoch	2.000 %	2.000 %
Gina Krog	3.300 %	3.300 %
Johan Sverdrup ****	11.573 %	N/A
Jotun	7.000 %	7.000 %
Varg	5.000 %	5.000 %

Production licences in which Det norske is the operator:

Licence:	**30.06.2015**	**31.12.2014**
PL 001B	35.000 %	35.000 %
PL 026B	62.130 %	62.130 %
PL 027D	100.000 %	100.000 %
PL 027ES *	0.000 %	40.000 %
PL 028B	35.000 %	35.000 %
PL 036C	65.000 %	65.000 %
PL 036D	46.904 %	46.604 %
PL 088BS	65.000 %	65.000 %
PL 103B	70.000 %	70.000 %
PL 150	65.000 %	65.000 %
PL 150B	65.000 %	65.000 %
PL 169C	50.000 %	50.000 %
PL 203	65.000 %	65.000 %
PL 203B	65.000 %	65.000 %
PL 242	35.000 %	35.000 %
PL 340	65.000 %	65.000 %
PL 340BS	65.000 %	65.000 %
PL 364	50.000 %	50.000 %
PL 460	100.000 %	100.000 %
PL 494	30.000 %	30.000 %
PL 494B	30.000 %	30.000 %
PL 494C	30.000 %	30.000 %
PL 504	47.593 %	47.593 %
PL 504BS *	0.000 %	83.571 %
PL 504CS *	0.000 %	21.814 %
PL 553 *	0.000 %	40.000 %
PL 626	50.000 %	50.000 %
PL 659	20.000 %	20.000 %
PL 663	30.000 %	30.000 %
PL 677	60.000 %	60.000 %
PL 709	40.000 %	40.000 %
PL 715	40.000 %	40.000 %
PL 724	40.000 %	40.000 %
PL 724B **	40.000 %	0.000 %
PL 736S	65.000 %	65.000 %
PL 748	40.000 %	40.000 %
PL 777 **	40.000 %	0.000 %
PL 790 **	50.000 %	0.000 %
Number	**34**	**35**

Production licences in which Det norske is a partner:

Licence:	**30.06.2015**	**31.12.2014**
PL 019C	30.000 %	30.000 %
PL 019D	30.000 %	30.000 %
PL 029B	20.000 %	20.000 %
PL 035	25.000 %	25.000 %
PL 035B	15.000 %	15.000 %
PL 035C	25.000 %	25.000 %
PL 038	5.000 %	5.000 %
PL 038D	30.000 %	30.000 %
PL 038E	5.000 %	5.000 %
PL 048B	10.000 %	10.000 %
PL 048D	10.000 %	10.000 %
PL 102C	10.000 %	10.000 %
PL 102D	10.000 %	10.000 %
PL 102F	10.000 %	10.000 %
PL 102G	10.000 %	10.000 %
PL 265	20.000 %	20.000 %
PL 272	25.000 %	25.000 %
PL 362	15.000 %	15.000 %
PL 438	10.000 %	10.000 %
PL 442	20.000 %	20.000 %
PL 457	40.000 %	40.000 %
PL 457BS	40.000 %	40.000 %
PL 492	40.000 %	40.000 %
PL 502	22.222 %	22.222 %
PL 522 *	0.000 %	10.000 %
PL 533	20.000 %	20.000 %
PL 550	10.000 %	10.000 %
PL 551	20.000 %	20.000 %
PL 554	10.000 %	10.000 %
PL 554B	10.000 %	10.000 %
PL 554C	10.000 %	10.000 %
PL 558 *	0.000 %	20.000 %
PL 567	40.000 %	40.000 %
PL 574	10.000 %	10.000 %
PL 613	20.000 %	20.000 %
PL 619 *	0.000 %	30.000 %
PL 627	20.000 %	20.000 %
PL 627B **	20.000 %	0.000 %
PL 653	30.000 %	30.000 %
PL 667	30.000 %	30.000 %
PL 672	25.000 %	25.000 %
PL 676BS **	10.000 %	0.000 %
PL 676S	10.000 %	10.000 %
PL 678BS	25.000 %	25.000 %
PL 676C **	25.000 %	0.000 %
PL 678S	25.000 %	25.000 %
PL 681	16.000 %	16.000 %
PL 694 **	20.000 %	0.000 %
PL 706	20.000 %	20.000 %
PL 730	30.000 %	30.000 %
PL 730B	30.000 %	0.000 %
PL 778 **	20.000 %	0.000 %
PL 804 **	30.000 %	0.000 %
Number	**50**	**46**

* Relinquished licences or Det norske has withdrawn from the licence.

** Interest awarded in the APA Licensing round (Application in Predefined Areas) in 2014. The awards were announced in 2015.

*** Acquired/changed through licence transactions or licence splits.

**** According to a ruling by Ministry of Oil and Energy.

Note 23 Results from previous interim reports

	2015		2014				2013	
	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3
Total operating revenues	**337 236**	**324 178**	**345 670**	**18 334**	**74 304**	**25 923**	**43 279**	**55 056**
Exploration expenses	24 949	14 523	51 491	71 778	21 027	20 040	95 472	102 347
Production costs	50 686	39 349	44 400	7 906	7 417	7 032	16 607	9 090
Depreciation	117 354	122 224	104 183	28 080	13 443	14 548	21 103	27 849
Impairments		52 773	319 018			27 402	111 893	1 163
Other operating expenses	22 550	14 397	10 679	993	12 896	825	-685	2 752
Total operating expenses	**215 539**	**243 266**	**529 772**	**108 757**	**54 782**	**69 847**	**244 391**	**143 200**
Operating profit/loss	**121 697**	**80 912**	**-184 102**	**-90 423**	**19 522**	**-43 924**	**-201 112**	**-88 144**
Net financial items	-58 523	254	-12 788	-30 143	-23 865	-9 901	-18 011	-22 305
Profit/loss before taxes	**63 174**	**81 166**	**-196 889**	**-120 567**	**-4 343**	**-53 824**	**-219 123**	**-110 450**
Taxes (+)/tax income (-)	55 897	78 727	89 997	-103 615	-31 627	-51 240	-163 202	-83 542
Net profit / loss	**7 277**	**2 439**	**-286 887**	**-16 952**	**27 284**	**-2 584**	**-55 921**	**-26 908**

Financial figures from previous quarters have been converted to USD by yearly average currency rate for 2013 and nine months average for the 3 first quarters in 2014.

Statement by the Board of Directors and Chief Executive Officer

Pursuant to the Norwegian Securities Trading Act section § 5-5 with pertaining regulations, we hereby confirm that, to the best of our knowledge, the company's interim financial statements for the period 1 January to 30 June 2015 have been prepared in accordance with IFRS, as provided for by the EU, and in accordance with the requirements for additional information provided for by the Norwegian Accounting Act. The information presented in the financial statements gives a true and fair picture of the company's liabilities, financial position and results overall.

To the best of our knowledge, the Board of Directors' half-yearly report together with the yearly report, gives a true and fair picture of the development, performance and financial position of the company, and includes a description of the principal risk and uncertainty factors facing the company.

The Board of Directors of Det norske oljeselskap ASA

Oslo, 14 July 2015

Sverre Skogen, Chair of the Board

Kjell Inge Røkke, Board member

Anne Marie Cannon, Deputy Chair

Kjell Pedersen, Board member

Gro Kielland, Board member

Terje Solheim, Board member

Kristin Gjertsen, Board member

Kristin Alne, Deputy Board member

Jørgen C. Arentz Rostrup, Board member

Karl Johnny Hersvik, Chief Executive Officer

Katherine Jessie Martin (also known as Kitty Hall), Board member

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