DETNORSKE

Report Q1 2012

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Summary

Det norske made significant progress on several field development projects during the first quarter. The Norwegian Authorities approved the plan for development and operation (PDO) of the Jette field. An agreement for a coordinated development of the Draupne and Edvard Grieg fields was signed. Also, the pre-unit agreement for the Johan Sverdrup field was signed by the field owners in PL 265 and PL 501, regulating the joint work leading up to a PDO.

Key events in the first quarter 2012

- **January 17th:** Det norske was offered ownership interests in nine production licenses in the APA 2011 licensing round.
- **January 18th:** The partners in Dagny decided to develop the field with a fixed platform. Det norske has an ownership interest in the field through its interest in PL 029B. .
- **February 13th:** The Kalvklumpen exploration well in PL 414 was announced to be dry.
- **February 17th:** The PDO for the Jette field was approved by Norwegian Authorities.
- **March 5th:** The Draupne partnership, with Det norske as operator, signed an agreement with the Edvard Grieg partnership for a coordinated development of the area.
- **March 23rd:** A final agreement was signed for the MUSD 500 corporate credit facility that was announced on December 21st 2011.
- **March 27th:** A pre-unit agreement was signed between the license owners in PL 265 and PL 501, for the joint work leading up to the submittal of a PDO for the Johan Sverdrup field.

Summary of financial results and operating performance

MNOK= NOK million	Q1 12	Q4 11	Q3 11	Q2 11	Q1 11	2011	2010
Oil and gas production (Kboe)	123	138	120	127	163	548	763
Oil price achieved (USD/barrel)	121	111	115	116	106	112	80
Operating revenues (MNOK)	97	92	82	96	102	372	366
Cash flow from production	50	47	36	41	56	180	207
Exploration expenses (MNOK)	595	105	120	178	609	1 012	1 777
Total exploration expenditures (profit & loss and balance sheet)	555	178	548	451	634	1 810	2 729
Operating profit/loss (MNOK)	-596	-226	-119	-208	-638	-1 191	-2 000
Profit/loss for the period (MNOK)	-104	-125	-40	-42	-252	-459	-690
No of licences (operatorships)	70 (27)	65 (28)	67 (28)	73 (30)	72 (30)	65 (28)	66 (30)

Production per field

Barrels of oil equivalent per day	Share	Q1 12	Q4 11	Q3 11	Q2 11	Q1 11	2011	2010
Varg	5 %	801	885	701	682	1,121	846	1,240
Glitne	10 %	286	326	301	375	318	329	440
Enoch	2 %	15	46	41	45	57	48	80
Jotun Unit	7 %	251	237	266	297	315	281	332
Total production		**1,352**	**1,495**	**1,309**	**1,399**	**1,811**	**1,505**	**2,092**

Field performance and oil prices

Det norske produced 123,072 (162,982) barrels of oil equivalent in the first quarter, corresponding to 1,352 (1,811) barrels oil equivalent per day (boepd). On average, the oil was sold for USD 120.5 (106,1) per barrel. The average Brent crude price in the first quarter was USD 118.4 (105.7) per barrel.

Varg has produced significantly above expectations in the period. Production from Glitne has to some extent been negatively impacted by technical issues related to risers, maintenance and repair, as well as diver operations in preparation of the infill well that is currently being drilled. Production from Jotun was stable and in line with the budget, whereas production from Enoch has been shut in during February and March due to a defect valve.

Health, safety and the environment

Det norske did not experience any accidents or major incidents related to the company's operated activities. The main offshore activities during the quarter were the drilling of the Kalvklumpen and Storebjørn exploration wells, and some installations on the Jette field, all operated by Det norske.

In mid-March the Petroleum Safety Authorities (PSA) carried out an audit of the development of the Jette field. The audit emphasised Det norske's management of project deliveries, follow up of suppliers and governing documentation related to seabed facilities and pipeline systems. The PSA audit did not uncover any unconformities and concluded that the Jette project is managed and implemented according to established quality management principles. A synopsis can be found at the PSA's web site: www.ptil.no.

Projects

Jette - PL 027D, 169C, 504 (88 % operator)

In February, Norwegian authorities approved the Plan for Development and operations (PDO) of the Jette field. Jette is the company's first field development as operator.

Jette contains gross P50 reserves of approximately 14 million barrels of oil equivalents, based on a 30 percent recovery rate. Initial production is estimated to constitute approximately 14 000 boepd on a 100 percent basis.

Production is scheduled to commence early in 2013. Drilling of production wells is expected to commence in the second quarter.

Atla – PL 102C (10 % partner)

The Atla gas field is expected to come on stream late in 2012. Atla contains gross P50 reserves of approximately 11 million barrels of oil equivalents and expected production is approximately 10,000 boepd on a 100 percent basis.

Draupne – PL 001B/242/028B (35 % operator)

In early March, the Draupne partnership signed an agreement with the partners in the Edvard Grieg (previously named Luno) field, for a coordinated development. Grieg is located in PL 338, adjacent to the Draupne field.

A new fixed platform with pre-processing capabilities will be placed on the Draupne field. The well stream will be piped from the Draupne platform to a new Edvard Grieg platform for final processing and export to the markets.

Feed work for Draupne is now being performed by Aker Solutions. Det norske aims to file a plan for development and operations (PDO) for Draupne in the fourth quarter this year. The Edvard Grieg field is scheduled to commence production in the fourth quarter 2015.

Production from Draupne is expected to commence in the fourth quarter 2016. Draupne has secured processing capacity on Edvard Grieg of about 50,000 boepd at first oil, gradually increasing to approximately 75,000 boepd from

October 2018 on a 100 percent basis. The field is estimated to contain approximately143 million barrels of oil equivalents.

Johan Sverdrup – PL 265 (20 % partner)
The Johan Sverdrup field extends across both PL 265 and PL 501. Hence, alignment of ownership interests in the form of a unitisation agreement is required to progress on the field development project. In late March, the field owners signed a pre-unit agreement to govern cooperation during the preparation of the plan for development and operation (PDO). Statoil has been appointed as working operator.

Det norske's net share in the field will be regulated in the unit agreement. The PDO is planned to be completed in 2014. First oil is scheduled in 2018. The current gross contingent rsource estimate for the Johan Sverdrup field within the PL 265 license is between 900 and 1,500 million barrels of oil equivalents.

PL 364 Frøy (50 % operator)
The Frøy field is being evaluated for development on a stand-alone basis, or in an area perspective together with PL 460 (Storklakken, 100% and operator), PL 442 (Frigg Gamma Delta, 20%) and potentially other undeveloped discoveries in the greater Frøy-Frigg area.

The current gross contingent resource estimate for Frøy is between 50 and 85 million barrels of oil equivalents.

PL 035 Dagny
Statoil as operator, together with the partners in the Dagny field, have decided to start PDO-work. The field will be developed with a fixed platform. The Dagny field extends into PL 029B, where Det norske holds 20 percent. Det norske's net share in the field will be regulated in the unit agreement. PDO is planned to be submitted in December 2012 and first oil and gas from Dagny is scheduled for late 2016. Dagny contains gross P50 reserves of approximately 198 million barrels of oil equivalents.

Exploration activity
Det norske completed drilling operations on the Kalvklumpen prospect in PL 414 (40%, operator). The well was dry. Drilling operations on the Storebjørn prospect in PL 450 (60%, operator) proved to be dry.

Awards in Predefined Areas 2011
Det norske was offered and has accepted interests in nine licenses in the APA 2011 licensing round whereas three as operator. Four licences were additional acreage to existing licenses. Of the fields Det norske will operate, one is related to additional acreage and two are new.

Operatorship offered and accepted, are: PL 659 (30 percent), PL 626 (50 percent), PL 414B (40 percent). Participating interests has been offered, and accepted in: PL 652 (20 percent), PL 627 (20 percent), PL 619 (30 percent), PL 494C (30 percent), PL 102D (10 percent) and PL 035C (25 percent).

Relinquishment of licenses
As part of the continuous work to optimise the exploration portfolio, Det norske relinquish licenses on a regular basis. During the first quarter the authorities approved the relinquishment of PL 341 and PL 468/PL 468B. The management committees in PL 548S and PL 392 have decided to relinquish the licenses.

Rig contract
During the first quarter, Det norske entered into a contract for lease of the jack-up rig Mærsk Giant for 150 days in 2013. The contract value is MUSD 52.2.

Business development
Det norske has acquired a 10 percent interest in PL 531 from RWE Dea Norge AS. The first exploration well in the license is planned drilled in the fourth quarter this year, or during the first quarter of next year. The well will be drilled with the Transocean Barents drilling rig. Repsol Exploration Norge AS is the operator, holding a 20 percent interest. The purchase agreement is subject to approval by the Norwegian authorities.

Financials

Credit facility
Det norske has signed the loan agreement for the USD 500 million revolving corporate credit facility. The Facility was fully underwritten by the Mandated Lead Arrangers DNB, Nordea and SEB. The Mandated Lead Arrangers have led a successful syndication process targeting a select group of banks. The The oversubscribed syndication, consists of the following lenders: DNB, ING, Nordea, SEB, Sparebank 1 SR-Bank and Swedbank.

In addition to the committed amount of USD 500 million, the facility contains an uncommitted USD 100 million accordion tranche, which may become available as from 23 March 2013 subject to certain conditions. The facility matures on 31 December 2015.

Increased reserves

In the first quarter the company announced an updated statement of reserves. This showed an increase in proven and probable reserves from 1.34 million boe by the end of 2010, to 67.9 million boe by the end of 2011. The 2011 reserves include 50.2 million boe from the Draupne field, 11.4 million boe from Jette and 4 million boe from Dagny. The reserves for Dagny are based on a 2 percent ownership interest, which is determined through a cost sharing agreement between the licenses. The final Dagny field ownership is to be determined through a unitisation agreement. At this point no reserves have been booked from the Johan Sverdrup discovery. The estimates for 2010 were calculated on the basis of the Norwegian Petroleum Directorates classification system, while the 2011 estimates have been calculated on the basis of Society of Petroleum Engineers' (SPE) classification system and has been independently certified.

First quarter accounts

Operating revenues in the first quarter amounted to MNOK 97.0 (101.6). The achieved oil price in the first quarter was USD 120.5 (106.1) per barrel, representing an increase of 14 percent relative to the same period last year. This positive price movement was offset by a 25 percent drop in production from 1 811 barrels per day in the first quarter 2011, down to 1 352 this quarter.

The company made an operating loss of MNOK 596.4 (638.3). The loss can largely be attributed to exploration expenses of MNOK 594.6 (609.1). Total exploration expenditures, both expensed and capitalised, amounted to MNOK 555.0 (634.3). The loss for the period was MNOK 103.7 (251.7) after a tax income of MNOK 516.0 (457.4). Net cash flow from operational activities amounted to MNOK 104.6 (-423.7).

Net cash flow from investment activities in the first quarter amounted to MNOK –571.9 (-521.5), largely as a result of exploration expenses and investments in fields under development. Net cash flow from financing activities in the first quarter totalled MNOK 514.7 (997.9) and relates substantially to debt drawn on the exploration facility.

The company's liquid assets were MNOK 889.1 (842.1) as of 31 March. Tax receivables for disbursement in December 2012 amount to MNOK 1,414.7 (2,355.2), while tax receivable for disbursement in December 2013 amount to 421.6 (477.6).

The equity ratio is 43.1 percent (35.7 percent). Total assets amounted to MNOK 8,285.1 (8,151.5) as of 31st March.

Events after the end of the quarter

No hydrocarbons were proved in the drilling of the Storebjørn prospect in PL 450. Det norske's share of the costs incurred as of 31 March 2012 amounted to MNOK 247 and is included in exploration costs. It is estimated that additionally MNOK 150-200 will incur until the well is plugged and abandoned.

Outlook

The board believes the company is well positioned for profitable growth on the Norwegian Continental Shelf.

The company will participate in several exciting exploration wells this year, including the exploration and appraisal wells related to the Johan Sverdrup field. The first of three planned wells in the PL 265 part of the field will be spudded this summer.

2012 is an important year for Det norske's field development activities. The Jette and Atla developments are ongoing and the plan is to submit both the PDO for the Draupne field and the PDO for the Dagny field late this year.

The company's financial position has been significantly strengthened through the last 12 months with the Johan Sverdrup discovery and the new corporate loan facility. The significant field development activity will in the future require additional financing.

Both the Jette field and the Draupne field are operated by Det norske and the required strengthening of the organisation is ongoing through new recruitments and internal training.

Det norske oljeselskap

STATEMENT OF INCOME (Unaudited)

(All figures in NOK 1,000)	Note	Q1 2012	Q1 2011
Petroleum revenues		95 503	100 077
Other operating revenues		1 528	1 509
Total operating revenues		**97 031**	**101 586**
Exploration expenses	2	594 616	609 143
Production costs		45 266	44 037
Payroll and payroll-related expenses		8 750	6 634
Depreciation	3	20 346	19 324
Net impairment losses	3	875	42 511
Other operating expenses		23 614	18 210
Total operating expenses		**693 466**	**739 859**
Operating profit/loss		**-596 435**	**-638 273**
Interest income	4	17 913	15 405
Other financial income	4	8 259	302
Interest expenses	4	38 928	75 456
Other financial expenses	4	10 536	11 035
Net financial items		**-23 293**	**-70 784**
Profit/loss before taxes		**-619 728**	**-709 057**
Taxes (+)/tax income (-)	5	-516 030	-457 354
Net profit/loss		**-103 698**	**-251 703**
Weighted average no. of shares outstanding		127 915 786	111 111 111
Weighted average no. of shares fully diluted		127 915 786	111 111 111
Earnings/(loss) after tax per share (adjusted for split)		-0,81	-2,27
Earnings/(loss) after tax per share (adjusted for split) fully diluted		-0,81	-2,27

TOTAL PROFIT/LOSS FOR THE PERIOD (Unaudited)

(All figures in NOK 1,000)	Q1 2012	Q1 2011
Profit/loss for the period	-103 698	-251 703
Total profit/loss for the period	**-103 698**	**-251 703**
Break-down of total profit/loss:		
Majority interests	-103 698	-251 703
Total profit/loss for the period	**-103 698**	**-251 703**

Det norske oljeselskap

STATEMENT OF FINANCIAL POSITION

(All figures in NOK 1,000)	Note	(Unaudited) 31.03.2012	31.03.2011	(Audited) 31.12.2011
ASSETS				
Intangible assets				
Goodwill	3	522 102	572 645	525 870
Capitalised exploration expenditures	3	2 124 833	1 823 467	2 387 360
Other intangible assets	3	898 739	1 027 981	905 726
Tangible fixed assets				
Property, plant, and equipment	3	1 366 786	414 483	902 071
Financial fixed assets				
Calculated tax receivables	5	421 609	477 629	
Other financial fixed assets		24 423	18 174	18 423
Long-term prepayments	6		57 487	
Total fixed assets		**5 358 492**	**4 391 866**	**4 739 450**
Inventories				
Inventories		28 875	42 159	37 039
Receivables				
Trade receivables	11	154 921	32 862	146 188
Other short term receivables	7	414 373	463 763	532 538
Short-term deposits		22 513	22 477	21 750
Derivatives	10	2 208	1 098	
Calculated tax receivables		1 414 677	2 355 226	1 397 420
Cash and cash equivalents				
Cash and cash equivalents	8	889 081	842 074	841 599
Total current assets		**2 926 648**	**3 759 658**	**2 976 534**
TOTAL ASSETS		**8 285 140**	**8 151 525**	**7 715 984**

STATEMENT OF FINANCIAL POSITION

(All figures in NOK 1,000)	Note	(Unaudited) 31.03.2012	31.03.2011	(Audited) 31.12.2011
EQUITY AND LIABILITIES				
Paid-in capital				
Share capital	9	127 916	111 111	127 916
Share premium		2 083 271	1 167 312	2 083 271
Other paid in capital			13 133	
Total paid-in equity		**2 211 188**	**1 291 557**	**2 211 187**
Retained earnings				
Other equity		1 361 666	1 616 913	1 465 364
Total Equity		**3 572 854**	**2 908 470**	**3 676 551**
Provisions for liabilities				
Pension obligations		41 894	25 814	46 944
Deferred taxes		1 931 913	1 711 670	2 042 051
Abandonment provision		296 528	272 342	285 201
Deferred income and provisions for commitments		1 448	2 233	1 643
Non current liabilities				
Bonds	15	586 333	584 426	587 011
Current liabilities				
Bonds	14		307 084	
Short-term loan	12	899 368	1 664 213	379 550
Trade creditors		279 840	55 074	274 308
Accrued public charges and indirect taxes		14 474	14 113	18 568
Other current liabilities	13	660 489	606 087	404 156
Total liabilities		**4 712 286**	**5 243 055**	**4 039 432**
TOTAL EQUITY AND LIABILITIES		**8 285 140**	**8 151 525**	**7 715 984**

Det norske oljeselskap

STATEMENT OF CHANGES IN EQUITY (Unaudited)

(All figures in NOK 1,000)	Share capital	Premium reserve	Other paid-in capital	Retained earning	Total equity
Equity as of 31.12.2010	**111 111**	**1 167 312**	**17 715**	**1 864 035**	**3 160 173**
Profit/loss for the period 01.01.2011 - 31.03.2011			-4 582	-247 121	**-251 703**
Equity as of 31.03.2011	**111 111**	**1 167 312**	**13 133**	**1 616 914**	**2 908 470**
Private placement	11 111	470 153			481 264
Conversion of bond to shares	5 694	445 806			451 500
Effect on equity related to the liquidation of subsidiary				42 884	42 884
Profit/loss for the period 01.04.2011 - 31.12.2011			-13 133	-194 434	-207 567
Equity as of 31.12.2011	**127 916**	**2 083 271**		**1 465 364**	**3 676 551**
Profit/loss for the period 01.01.2012 - 31.03.2012				-103 698	-103 698
Equity as of 31.03.2012	**127 916**	**2 083 271**		**1 361 666**	**3 572 854**

Det norske oljeselskap

STATEMENT OF CASH FLOW (Unaudited)

(All figures in NOK 1,000)	Note	Q1 2012	Q1 2011	01.01-31.12. 2011
Cash flow from operating activities				
Profit/loss before taxes		-619 728	-709 057	-1 390 877
Taxes paid during the period				-5 489
Tax refund during the period				2 323 865
Depreciation	3	20 346	19 324	78 518
Net impairment losses	3	875	42 511	197 673
Reversal of tax item related to shorfall value of purchase price allocation (PPA)	2	-22 000	-4 988	-17 988
Gain on sale of convertible bonds				-10 583
Reduction of exploration expenses caused by sale of license share		5 554		
Losses on sale of license		1 130		
Changes in derivatives	10	-2 208	4 935	6 033
Amortisation of interest expenses and arrangement fee		4 434	24 950	59 438
Expensed capitalised dry wells	2,3	347 605	474 127	534 640
Changes in abandonment liabilities		11 389	4 117	17 009
Changes in inventories, accounts payable and receivables		4 962	-168 962	-57 935
Changes in net current capital and in other current balance sheet items		352 283	-110 634	-281 653
NET CASH FLOW FROM OPERATING ACTIVITIES		**104 643**	**-423 677**	**1 452 652**
Cash flow from investment activities				
Payment for removal and decommissioning of oil fields		-62	-3	-35
Disbursements on investments in fixed assets	3	-283 072	-23 244	-388 160
Disbursements on investments in capitalised exploration expenditures and other intangible assets	3	-291 867	-498 215	-1 440 812
Sale of licenses		3 134		110 574
NET CASH FLOW FROM INVESTMENT ACTIVITIES		**-571 867**	**-521 461**	**-1 718 433**
Cash flow from financing activities				
Sale of convertible bond				144 433
Arrangement fee	12	-85 294	-16 145	-16 145
Private placement				481 164
Repayment of loan			-134 421	-2 539 850
Short-term loan	12	600 000	1 148 448	2 248 448
NET CASH FLOW FROM FINANCING ACTIVITIES		**514 706**	**997 881**	**318 050**
Net change in cash and cash equivalents		**47 482**	**52 744**	**52 270**
Cash and cash equivalents at start of period		841 599	789 330	789 330
CASH AND CASH EQUIVALENTS AT END OF PERIOD		**889 081**	**842 074**	**841 599**
Specification of cash equivalents at end of period:				
Bank deposits, etc.		880 930	833 401	828 772
Restricted bank deposits		8 151	8 672	12 827
CASH AND CASH EQUIVALENTS AT END OF PERIOD	8	**889 081**	**842 074**	**841 599**

NOTES

(All figures in NOK 1,000)

This interim report has been prepared in accordance with international standards for financial reporting (IFRS), issued by the board of IASB, and in accordance with IAS 34 "Interim financial reporting". The quarterly report is unaudited.

Note 1 Accounting principles

The accounting principles used for this interim report are in accordance with the principles used in the Financial statement for 2011.

Note 2 Exploration expenses

	Q1	
Specification of exploration expenses:	**2012**	**2011**
Seismic costs, well data, field studies and other exploration expenses	143 453	14 108
Recharged rig costs	19 097	
Share of exploration expenses from license participation incl. seismic	62 584	78 235
Expensed capitalised wells previous years	61 995	5 773
Expensed capitalised wells this year	285 611	468 355
Share of payroll and other operating expenses classified as exploration	34 761	39 208
Research and development costs related to exploration activities	9 116	8 452
Reversal of tax item related to shorfall value of purchase price allocation	-22 000	-4 988
Total exploration expenses	**594 616**	**609 143**

Note 3 Tangible assets and intangible assets

Tangible fixed assets	**Fields under development**	**Production plant, including wells**	**Fixtures and fittings, office machinery etc.**	**Total**
Balance-sheet value 31/12/10	**250 205**	**98 517**	**58 113**	**406 834**
Acquisition cost 31/12/2010	**250 205**	**432 090**	**90 291**	**772 586**
Additions	6 980	10 179	6 086	23 244
Acquisition cost 31/03/2011	257 185	442 269	96 377	795 829
Accumulated depreciation and impairments 31/03/2011		344 577	36 769	381 346
Balance-sheet value 31/03/2011	**257 185**	**97 691**	**59 608**	**414 483**
Acquisition cost 31/12/2011	**803 352**	**457 089**	**102 337**	**1 362 778**
Additions	267 853	12 964	2 255	283 072
Reclassification	200 926			200 926
Acquisition cost 31/03/2012	1 272 131	470 053	104 592	1 846 775
Accumulated depreciation and impairments 31/03/2012		423 956	56 032	479 989
Balance-sheet value 31/03/2012	**1 272 131**	**46 096**	**48 560**	**1 366 786**
Depreciation Q1 2012		14 706	4 576	19 282
Depreciation 1/1.- 31/03/2012		14 706	4 576	19 282

Fields under development are reclassified and depreciated from 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 decommisioning costs for production facilities are included in the table above.

Intangible assets	Other intangible assets Licenses	Software	Total	Exploration expenses	Goodwill
Balance-sheet value 31/12/10	**1 100 153**	**7 540**	**1 107 693**	**1 802 234**	**596 506**
Acquisition cost 31/12/2010	**1 565 439**	**40 710**	**1 606 149**	**1 802 234**	**1 006 347**
Additions		2 855	2 855	495 360	
Disposals				474 127	
Acquisition cost 31/03/2011	1 565 439	43 565	1 609 004	1 823 467	1 006 347
Accumulated depreciation and impairments	546 425	34 599	581 024		433 702
Balance-sheet value 31/03/2011	**1 019 014**	**8 966**	**1 027 981**	**1 823 467**	**572 645**
Acquisition cost 31/12/2011	**1 110 324**	**43 989**	**1 154 314**	**2 387 360**	**648 338**
Additions		308	308	291 558	
Disposals	6 232		6 232	353 160	3 768
Reclassification				-200 926	
Acquisition cost 31/03/2012	1 104 092	44 297	1 148 390	2 124 833	644 570
Accumulated depreciation and impairments	210 446	39 205	249 651		122 468
Balance-sheet value 31/03/2012	**893 646**	**5 093**	**898 739**	**2 124 833**	**522 102**

Depreciation Q1 2012	194	870			
Depreciation 1/1.- 31/03/2012	194	870			
Impairments in Q1 2012	1 654				511
Impairments 1/1 - 31/03/2012	1 654				511

Reconcilliation of depreciation in the income statement:	Q1 2012	01.01. - 31.03 2012
Depreciation of tangible fixed assets	19 282	19 282
Depreciation of intangible assets	1 063	1 063
Total depreciation in the income statement	**20 346**	**20 346**

Software is depreciated linearly over the software's lifetime, which is three years.

Reconcilliation of write-downs in the income statement:	Q1 2012	01.01. - 31.03 2012
Impairment of intangible assets	1 654	1 654
Impairment of goodwill	511	511
Impairment of deferred tax related to impairment of goodwill	-1 290	-1 290
Total impairment in the income statement	**875**	**875**

Note 4 Financial items

	Q1 2012	Q1 2011
Interest income	**17 913**	**15 405**
Return on financial investments	763	
Currency gains	5 288	302
Change in value of derivatives	2 208	
Total other financial income	**8 259**	**302**
Interest expenses	47 482	50 506
Capitalizing interest costs development projects	-12 987	
Amortisation of loan costs	4 434	24 950
Sum rentekostnader	**38 928**	**75 456**
Currency losses	10 536	6 009
Change in value of derivatives		4 935
Decline in value of financial investments		91
Total other financial expenses	**10 536**	**11 035**
Net financial items	**-23 293**	**-70 784**

Note 5 Taxes

Taxes for the period appear as follows:	Q1 2012	Q1 2011
Calculated tax receivable due to exploration-related costs	-421 609	-477 629
Change in deferred taxes	-94 296	15 287
Reversal of tax item related to shorfall value of purchase price allocation (PPA), accounted as exploration expenses	22 000	4 988
Changes in prior years tax returns	-26 986	
Tax on excess-/shortfall values expensed in the period	4 861	
Total taxes (+) / tax income (-)	**-516 030**	**-457 354**

A full tax calculation has been carried out in accordance with the accounting principles described in the annual report for 2011. The calculated tax receivable as a result of exploration activities in 2012 is recognised as a long-term item in the balance sheet. The tax refund for this items is expected to be paid in December 2013. The calculated tax receivable as a result of exploration activities in 2011 is recognised as a current assets in the balance sheet. The tax refund for this item is expected to be paid in December 2012.

Note 6 Pre-payments and chartering of drilling rig - long term

	31.03.2012	31.03.2011	31.12.2011
Pre-payments relating to upgrades, rig intake and mobilisation		90 622	
Shortfall value of rig charterparties in connection with acquisition		-33 135	
Total pre-payments and chartering of drilling rigs		**57 487**	

Det norske oljeselskap ASA has signed a charterparty for a sixth generation drilling rig (Transocean Barents) for a fixed period of three years with an option to extend the charter period by up to two years. The charter period started to run in July 2009. In Q3 2010 the company signed a new lease agreement for two more years, with an option for an additional period of two years. The charterparty is classified as an operational lease.

Pre-paid mobilisation expenses and investments in the rig will be amortised over the three-year charter period. The agreed rig rate on the contract date was USD 520,000 per day, including operating expenses of NOK 900,000, which will be adjusted for inflation during the charter period. Rig costs are charged to income on a running basis and reversed when invoicing the licences that use the rig.The group has split these costs into a long-term and a short-term component, according to when the licences will be invoiced. The long-term component is described in this note, while the short-term component is described in Note 7.

Note 7 Other short-term receivables

	31.03.2012	31.03.2011	31.12.2011
Pre-payments, including rigs	42 711	42 423	53 405
VAT receivable	52 435	18 989	9 314
Underlift (recognised income)	-8 687	43 816	44 028
Guarantee account, unsecured pension scheme		6 626	
Other receivables, including operator licences	261 057	190 503	312 763
Pre-payments relating to upgrades, rig intake and mobilisation	91 890	254 438	155 189
Shortfall value of rig charterparties in connection with acquisition	-25 034	-93 032	-42 160
Total pre-payments, Aker Barents	*66 857*	*161 406*	*113 029*
Total other short-term receivables	**414 373**	**463 763**	**532 538**

Note 8 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.

Specification of cash and cash equivalents:	31.03.2012	31.03.2011	31.12.2011
Cash	5	21	2
Bank deposits	880 925	833 380	828 771
Restricted funds (tax withholdings)	8 151	8 672	12 827
Total cash and cash equivalents	**889 081**	**842 074**	**841 599**
Unused revolving credit facility, exploration facility loan	712 337	879 228	903 094

Note 9 Share capital

	31.03.2012	31.03.2011	31.12.2011
Share capital	127 916	111 111	127 916
Total number of shares (in 1.000)	127 916	111 111	127 916
Nominal value per share in NOK	1,00	1,00	1,00

Note 10 Derivatives

Det norske oljeselskap has entered into forward contracts to reduce currency exposure in the Jette project.

The company has the following financial instruments as of 31.03.12:	Nominal amount	Forward contract NOK	Market value NOK	Gain/Loss NOK
DKK	51 000	51 622	52 270	648
EUR	7 000	53 041	53 661	620
GBP	5 000	44 734	45 711	977
USD	4 000	22 826	22 790	-36
Total value		**172 223**	**174 431**	**2 208**

Description of contracts:
Forward contracts are established for the purchase of DKK, EUR, GBP and USD, covering Det norskes share the Jette project in 2012. Amounts are syncronised to signed agreements with suppliers to the prosject. All forward contracts mature in 2012.

The company had as of 31 March 2011 agreements to reduce currency exposure against USD. The estimated fair value was NOK 1 098.

Note 11 Accounts receivables

	31.03.2012	31.03.2011	31.12.2011
Receivables related to sale of oil and gas	83 297	15 086	32 292
Invoicing related to rigs etc.	71 934	18 222	112 641
Unrealized exchange rate losses	-310	-447	1 254
Total account receivable	**154 921**	**32 862**	**146 188**

Note 12 Short-term loans

	31.03.2012	31.03.2011	31.12.2011
Exploration facility in DnB NOR	1 000 000	1 700 000	400 000
Arrangement fee credit facility	-85 294		
Accrued loan costs	-15 338	-35 788	-20 450
Total short-term loans	**899 368**	**1 664 213**	**379 550**

The company has a joint revolving credit facility of NOK 3,500 million in DnB NOR BANK ASA. Maximum utilization including interest is limited to 95 percent of tax refunds related to the exploration expenses. The companies can draw on the facility until 31 December 2012 and the final repayment must take place in December 2013

The interest rate on the revolving credit is 3 months' NIBOR + 2.5 percent, and the establishment fee for the facility was NOK 61.3 million. A commission of 1.25 percent is also paid on unused credit.

For information about the unused part of the credit facility for exploration purposes, see Note 8 - "Cash and cash equivalents".

In fourth quarter Det norske oljeselskap ASA has established an agreement of a revolving credit facility of USD 500 million. The revolving credit facility can be increased with MUSD 100, but the agreement has no guarantee for this. The USD 500 million tranche (the "Facility Amount") is co-ordinated by DNB and Nordea and fully underwritten by the Bookrunners and Mandated Lead Arrangers: DNB, Nordea and SEB, subject to an executed loan agreement. The underwriters have syndicated the Facility to a select group of banks. A committmentfee of MNOK 85.3 has been paid in Q1 2012.

Note 13 Other current liabilities

	31.03.2012	31.03.2011	31.12.2011
Current liabilities related to overcall in licences	136 945	68 863	60 731
Share of other current liabilities in licences	378 919	273 372	155 766
Other current liabilities	144 625	263 852	187 658
Total other current liabilities	**660 489**	**606 087**	**404 156**

Note 14 Convertible bond

	31.03.2012	31.03.2011	31.12.2011
Principal, convertible loan Norsk Tillitsmann		323 650	
Equity part of convertible loan on initial inclusion		-98 991	
Accumulated amortisation of equity part of convertible loan		80 751	
Payment of loan		10 096	
Converted to share's		-8 421	
Total long-term convertible bond		**307 084**	

The convertible bond was past due on the 16. December 2011. On due date 5,693,564 shares were converted at NOK 79,30 and the residual bonds were repaid.

Note 15 Bond

	31.03.2012	31.03.2011	31.12.2011
Principal, new bond Norsk Tillitsmann	600 000	600 000	600 000
Establishment costs	-16 145	-16 145	-16 145
Amortisation of establishment costs	2 478	571	3 156
Total bond	**586 333**	**584 426**	**587 011**

The loan runs from 28 Januar 2011 till 28 January 2016 and has an interest rate of 3 month NIBOR + 6.75 percent. The principal falls due on 28 January 2016 and interest is paid on an quarterly basis. No security has been furnished for this loan.

Note 16 Uncertain commitments

There is a disagreement between the partners in one of the company's operating licenses, related to the cost of drilling an exploration well. Det norske disagrees with the presented claim, and has not made provision in the accounts of this controversy.

During the normal course of its business, Det norske oljeselskap ASA will be involved in disputes, and there are currently some unresolved claims. The Group has provided accruals in its financial statements for probable liabilities related to litigation and claims based on the Group's best judgement. Det norske does not expect that the financial position, results of operations or cash flows will be materially affected by the resolution of these disputes.

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Note 17 Investments in jointly controlled assets

Operatorships:

Licence	31.03.2012	31.12.2011
PL 001B	35,0 %	35,0 %
PL 027D	60,0 %	60,0 %
PL 028B	35,0 %	35,0 %
PL 103B	70,0 %	70,0 %
PL 169C	70,0 %	70,0 %
PL 242	35,0 %	35,0 %
PL 337	45,0 %	45,0 %
PL 341*	0,0 %	30,0 %
PL 356	60,0 %	60,0 %
PL 364	50,0 %	50,0 %
PL 414**	40,0 %	40,0 %
PL 414B	40,0 %	0,0 %
PL 450	60,0 %	75,0 %
PL 460	100,0 %	100,0 %
PL 468*	0,0 %	95,0 %
PL 468B*	0,0 %	95,0 %
PL 482	65,0 %	65,0 %
PL 497	35,0 %	35,0 %
PL 497B	35,0 %	35,0 %
PL 500*	0,0 %	35,0 %
PL 504	58,5 %	58,5 %
PL 504BS	58,5 %	58,5 %
PL 512	30,0 %	30,0 %
PL 542	60,0 %	60,0 %
PL 548S	40,0 %	40,0 %
PL 549S	35,0 %	35,0 %
PL 553	40,0 %	40,0 %
PL 573S	35,0 %	35,0 %
PL 593	60,0 %	60,0 %
PL 626**	50,0 %	0,0 %
PL 659**	30,0 %	0,0 %
Number	27	28

Partner-operated:

Licence	31.03.2012	31.12.2011
PL 028S	40,0 %	40,0 %
PL 029B	20,0 %	20,0 %
PL 035	25,0 %	25,0 %
PL 035B	15,0 %	15,0 %
PL 035C**	25,0 %	0,0 %
PL 038	5,0 %	5,0 %
PL 038D	30,0 %	30,0 %
PL 048B	10,0 %	10,0 %
PL 048D	10,0 %	10,0 %
PL 102C	10,0 %	10,0 %
PL 102D**	10,0 %	0,0 %
PL 265	20,0 %	20,0 %
PL 272	25,0 %	25,0 %
PL 332	40,0 %	40,0 %
PL 362	15,0 %	15,0 %
PL 392	10,0 %	10,0 %
PL 416*	0,0 %	15,0 %
PL 438	10,0 %	10,0 %
PL 440S	10,0 %	10,0 %
PL 442	20,0 %	20,0 %
PL 453S	25,0 %	25,0 %
PL 492	30,0 %	30,0 %
PL 494	30,0 %	30,0 %
PL 494B	30,0 %	30,0 %
PL 494C**	30,0 %	0,0 %
PL 502	22,2 %	22,2 %
PL 508S	30,0 %	30,0 %
PL 522	10,0 %	10,0 %
PL 523	20,0 %	20,0 %
PL 533	20,0 %	20,0 %
PL 535	20,0 %	20,0 %
PL 538	30,0 %	30,0 %
PL 554	20,0 %	20,0 %
PL 554B	20,0 %	20,0 %
PL 558	20,0 %	20,0 %
PL 561	20,0 %	20,0 %
PL 563	30,0 %	30,0 %
PL 567	40,0 %	40,0 %
PL 568	20,0 %	20,0 %
PL 571	40,0 %	40,0 %
PL 613	35,0 %	35,0 %
PL 619**	30,0 %	0,0 %
PL 627**	20,0 %	0,0 %
PL 652**	20,0 %	0,0 %
Number	43	38

* Relinquised licenses or Det norske has withdrawn from the license.
** Interest awarded in APA-round (Application in Predefined Areas) in 2011. Offers were announced in January 2012.

Note 18 Results from previous interim reports

	2012	2011				2010			
	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Total operating revenues	**97 031**	**92 384**	**81 843**	**96 293**	**101 586**	**99 518**	**80 643**	**88 671**	**97 138**
Exploration expenses	594 616	105 329	119 927	177 791	609 143	656 841	209 065	367 219	544 211
Production costs	45 266	42 621	42 894	52 336	44 037	40 109	36 505	38 035	40 311
Payroll and payroll-related expenses	8 750	9 061	5 905	10 133	6 634	4 723	7 548	1 412	1 080
Depreciation	20 346	21 532	17 044	20 618	19 324	22 408	41 749	44 121	50 772
Impairments	875	127 117		28 045	42 511	97 323	24 442	32 748	15 995
Other operating expenses	23 614	12 554	14 785	15 222	18 210	40 628	14 447	14 476	19 426
Total operating expenses	**693 466**	**318 214**	**200 555**	**304 146**	**739 859**	**862 032**	**333 756**	**498 011**	**671 795**
Operating profit/loss	**-596 435**	**-225 830**	**-118 712**	**-207 853**	**-638 273**	**-762 514**	**-253 113**	**-409 340**	**-574 657**
Net financial items	-23 293	-41 429	-36 239	-51 758	-70 784	-65 304	-55 696	7 952	-70 757
Profit/loss before taxes	**-619 728**	**-267 259**	**-154 951**	**-259 611**	**-709 057**	**-827 818**	**-308 808**	**-401 387**	**-645 414**
Taxes (+)/tax income (-)	-516 030	-141 846	-114 957	-217 450	-457 354	-496 723	-228 684	-296 566	-471 102
Net profit/loss	**-103 698**	**-125 413**	**-39 993**	**-42 161**	**-251 703**	**-331 095**	**-80 124**	**-104 821**	**-174 312**


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