

**Q3**  
**2007**

**DEEP**  
**KNOWLEDGE**

**ODIM**

# ODIM ASA, THIRD QUARTER 2007

This report has been compiled in accordance with IAS 34.

ODIM announces unaudited results for the third quarter of 2007.

## HIGHLIGHTS OF THE THIRD QUARTER

- Best quarterly earnings ever
- Executing on the deepwater strategy
  - Breakthrough contract with Aker Oilfield Services for 125 ton ODIM CTCU™
  - Important acquisitions of JMC in Q3 and ABAS Crane/AB Winch in Q4
- Substantial capacity increase secured from 2009 through investment in an assembly and testing facility in Vietnam
- Strong focus on strengthening the after sales activity worldwide leading to the acquisition of DIMO in Q4

KEY FINANCIAL FIGURES [NOK MILLION]	ODIM GROUP				
	Q3- 07	Q3- 06	YTD- 07	YTD- 06	2006
Revenues	322.5	199.5	939.6	609.0	878.6
EBITDA	54.2	24.7	154.8	77.0	123.6
EBIT	50.6	21.0	143.4	66.6	106.5
Profit before tax	56.1	21.1	157.0	69.3	109.8
Profit for the period	40.0	15.1	111.4	76.7	106.2
EBITDA margin	16.8%	12.4%	16.5%	12.6%	14.1%
EBIT margin	15.7%	10.5%	15.3%	10.9%	12.1%
Profit before tax margin	17.4%	10.6%	16.7%	11.4%	12.5%

## EXECUTING ON THE DEEPWATER STRATEGY

ODIM experienced a very eventful quarter. A number of important milestones in the growth strategy for the deepwater market were reached. The existing business within the Offshore Service Vessels business area maintained its pace of growth due to record activity in the offshore sector during the third quarter, especially in the seismic segment. Revenues and quarterly earnings once again reached record levels.

Revenues for the third quarter came to NOK 322.5 million, up 61.7 per cent from the corresponding period of last year. EBITDA was NOK 54.2 million, an increase of 119.4 per cent from the third quarter of 2006. The EBITDA margin reached 16.8 per cent, which was 4.4 percentage points higher than in the corresponding period of last year.

ODIM had an order intake of NOK 330 million in the third quarter, which compared to the end of June 2007 keeps the backlog at 30 September practically unchanged at approximately NOK 1.7 billion. In addition, ODIM has announced new orders in October and so far in November 2007 adding approximately NOK 40 million.

## FINANCIAL RESULTS

Revenues came to NOK 322.5 million in the third quarter, compared with NOK 199.5 million in the same period of 2006. EBITDA for the third quarter was NOK 54.2 million, up from NOK 24.7 million in the same period of last year. The EBITDA margin was 16.8 per cent, compared with 12.4 per cent in the third quarter of 2006. EBITDA for the three first quarters came to NOK 154.8 million, an increase of 101 per cent from NOK 77.0 million in the corresponding period of last year, which raised the margin from 12.6 per cent to 16.5 per cent.

EBIT for the third quarter was NOK 50.6 million (2006: NOK 21.0 million).

With a solid cash position, depreciation and amortisation of assets remaining at a modest level and profit before taxes was at NOK 56.1 million for the third quarter (2006: NOK 21.1 million), higher than EBITDA.

EBITDA, EBIT and profit before tax were all at the highest level ever experienced in ODIM.

The tax cost for the third quarter was NOK 16.2 million (2006: NOK 6.0 million). Net profit for the quarter came to NOK 40.0 million (2006: NOK 15.1 million).

## FINANCIAL ISSUES

Net cash flow from operating activities in the third quarter was negative with NOK 63.5 million. The decrease was due to higher accrued income and receivables and some reduction in prepayments from customers. This adjustment in cash was expected as prepayments from customers at the end of second quarter were higher than normal.

Investment in fixed assets was NOK 2.9 million in the third quarter.

ODIM continued to improve its solid financial position in the third quarter, and has a good basis for financing future growth and investment. The cash position was NOK 380.4 million at 30 September 2007 (31 December, 2006: NOK 226.4 million).

Working capital was NOK 243 million at 30 September, compared with NOK 150 million at 31 December 2006. Net interest-bearing receivables totalled NOK 378 million at 30 September, corresponding to NOK 183 million at 31 December 2006. Equity increased by NOK 123 million from 1 January to NOK 365 million at 30 September. This gave an equity ratio at 30 September of 40.0 per cent (31 December 2006: 36.3 per cent).

## MARKET DEVELOPMENT AND OPERATIONS

The strong growth in the E&P budgets of oil and gas companies continued in the quarter. The global demand for oil continued to grow, and this factor in combination with the lack of production capacity led to an even tighter oil market. Hence, by the end of the third quarter the oil price was at record high levels.

The main challenge of the oil companies is currently to grow reserves and production. With record balance sheets and cash flows, the oil companies are in a very good position to undertake major investments. At the same time, the oil companies are very interested in new technologies enabling them to meet the deepwater challenges. Through the proprietary ODIM CTCU™ technology ODIM believes the company is in an excellent position to fill the need for more advanced and reliable subsea installation equipment for deeper waters.

ODIM is divided into three business areas, covering Offshore Service Vessels, Naval, Oceanographic & Power, and Mooring & Deepwater Installation. The company has been delivering customer solutions in the first two of these areas for a number of years, and is pleased to see that market prospects seem ever more promising for the deepwater market.

### OFFSHORE SERVICE VESSELS

Market segments covered by ODIM's Offshore Service Vessels business area are primarily seismic, offshore supply and subsea. Offshore Service Vessels had revenues of NOK 289.7 million in the third quarter (2006: NOK 183.6 million). That corresponds to a growth of 57.8 per cent.

This business area had an EBITDA of NOK 49.4 million for the period (2006: NOK 23.1 million). The EBITDA margin reached 17.0 per cent (2006: 12.6 per cent).

The order backlog for Offshore Service Vessels at 30 September was NOK 1.5 billion. This is similar to the level of backlog at 30 June, 2007.

### Seismic

ODIM ranks as the world's leading supplier of complete cable-handling solutions to seismic survey companies. In the third quarter ODIM signed a contract with Eastern Echo worth NOK 160 million for delivery of automated handling solutions for two new seismic vessels in addition to upgrade of another four vessels, all conducting three-dimensional seismic surveys.

Current business cycle is stronger and will probably last for longer than previous cycles in the seismic industry. Both existing and new players are driving the market. At the same time, we already see some consolidation activity in the industry, and the impact on ODIM is still hard to predict. However, technological development is changing the seismic industry and driving the need for increased capacity further.

A large part of the seismic equipment in the industry is getting older, paving the way for replacement orders from the seismic companies. ODIM has a strong focus on after sales and services to efficiently be able to handle this growing market.

Based on strong growth forecasts for the seismic industry, where some companies already have secured jobs for 2009, ODIM expects the market to remain strong at least through 2009.

ODIM also sees a growing market for electromagnetic surveys (EM). The expected strong growth in the EM industry is based on the fact that a number of new players have already entered or announced that they will enter this market. The market leader in the EM industry - EMGS - has placed two orders for automated handling equipment in 2007.

### **Subsea**

Since the introduction of ODIM's new generation of launch and recovery systems for Remotely Operated Vehicles (ROV's), the ODIM LARS™, the system has become the preferred solution in the high end of the market. The system has proven its capability and reliability in worldwide operations.

The ODIM LARS™ will be an important part of the potential system deliveries for subsea installation and a high level of activity is expected in the subsea market in general for many years to come. Since ODIM now ranks as an important supplier of high- end technology solutions to this market, it should also be well positioned to participate in this expanding market.

No significant subsea orders were placed in Q3. Going forward, ODIM expects a pickup in orders in this segment, as a result of system deliveries to subsea installation.

### **Offshore Supply**

The offshore supply segment secured a 24 million contract with the Danish ship owner Esvagt, for delivery of ODIM WBRS work boat reception system on two stand- by vessels.

This order covers a system which makes it easier for stand- by ships to deploy and recover high- speed rescue vessels in an emergency. On vessels of more recent design, such vessels are launched and recovered over the stern rather than the side. The ODIM WBRS contains winches which handle stern recovery as well as securing the vessel.

The key demand drivers in offshore supply are increased deepwater activity and higher health, safety and environmental standards, and with a number of unique products, ODIM believe the company is well positioned for growth. The company's focus is on strengthening its market position and on achieving a larger market share for system deliveries.

### **NAVAL, OCEANOGRAPHIC AND POWER**

The Naval, Oceanographic & Power (NOP) business area mainly comprises ODIM's operations in North America.

This business area focuses on strengthening its leadership in the core market segment of cable handling technology for towing and handling sensor systems. It covers both naval airborne and shipboard markets as well as the marine sciences sector. In addition, rising demand for automated handling and tooling systems in the nuclear power industry has been identified as a significant opportunity for future growth.

The NOP business area had revenues of NOK 28.5 million in the third quarter (2006: NOK 13.1 million). The EBITDA was NOK 5.7 million (2006: NOK 2.2 million), with an EBITDA margin of 20.1 per cent (2006: 17.0 per cent).

NOP received new orders worth NOK 15.0 million in the third quarter. The total backlog for the NOP business area at 30 September was NOK 120.0 million, down by NOK 13.0 million from the previous quarter.

### **MOORING AND DEEPWATER INSTALLATION**

ODIM has developed a technological concept for using fibre rope instead of steel wire as a lifting line, which enables the use of smaller offshore construction vessels to install large and heavy subsea structures in ultra- deep water. The core technology is called the ODIM CTCU™ (cable traction control unit). This technology is expected to play an important role in the Mooring and Deepwater Installation business area.

This business area has been the main focus area in ODIM in 2007, and in the third quarter the company experienced a number of important breakthroughs:

In July, ODIM announced plans to acquire Stavanger based JMC for NOK 100 million. JMC has the technology, infrastructure and organization to be an important part of ODIM's deepwater strategy. JMC has built a competent team in drilling, well services and subsea segments, which can be put together with ODIM's unique ODIM CTCU™ technology to constitute a powerful team. ODIM believes customers of both companies will benefit from an even more solution oriented supplier.

In August, ODIM secured a contract with Aker Oilfield Services to deliver a 125 ton ODIM CTCU™ system. The contract is a part of a joint industry project sponsored by Norway's Demo 2000 research programme. The gross contract value is approximately NOK 60.0 million.

In September, ODIM decided to invest in an assembly and testing facility in Vietnam. The Vietnam investment will meet ODIM's capacity challenges and secure long- term growth opportunities in a region with competitive terms. The

investment decision is in line with ODIM's existing strategy of technological leadership with automated handling solutions in the most profitable parts of the value chain.

Mooring & Deepwater Installation had revenues of NOK 4.2 million in the third quarter (2006: NOK 2.7 million), and a negative EBITDA of NOK 1.0 million (2006: NOK 0.7 million). Mooring and Deepwater Installation business area holds an order backlog of NOK 64.0 million at 30 September.

ODIM also sees the potential for extending the delivery scope of the ODIM CTCU™ to other types of offshore vessels, such as supply ships. This means that the technology will contribute with other shipboard applications to an even more complete system range.

## OTHER MATTERS

### OHI

The proposal to merge OHI AS and ODIM AS was withdrawn by the OHI board at an extraordinary general meeting of the latter company on 12 September. Since the meeting had no objections, the planned merger was not approved.

Underlying the board's decision was a question raised by a large minority shareholder about the external valuation of OHI in connection with the merger.

The boards of neither OHI nor ODIM ASA, as the largest shareholder in OHI, want minority shareholders to feel uncertain about the valuation. The merger was accordingly postponed, awaiting clarifications regarding the valuation of OHI. ODIM aims to have this sorted out within the end of fourth quarter.

### ACQUISITION OF JMC

In July, ODIM agreed with the shareholders of JMC to buy the company. Combined with ODIM's proprietary ODIM CTCU™ technology and existing infrastructure, this acquisition will form a solid foundation for ODIM's goal of becoming a leading player in automated handling solutions in the fast-growing deepwater segment.

The agreement was finally approved by the board of ODIM in October.

The acquisition of JMC will give ODIM first class expertise and valuable engineering capacity and is an important and necessary first step towards making ODIM as the leading provider of automated handling solutions for deepwater operations.

Of the NOK 100 million transaction price, NOK 50 million will be paid in cash and the rest in ODIM shares with a lock-up period of 12 months. In addition, existing JMC shareholders will receive a maximum earn-out of NOK 50 million, based on the volume of module-handling contracts and specific EBITDA goals for 2007 and 2008. If EBITDA in 2009 exceeds NOK 50 million, the present owners of JMC will also receive a bonus of NOK 20 million.

## OUTLOOK


ODIM expects further revenue growth in fourth quarter. ODIM expects a strong market for all business areas, and revenues are expected to increase by 50 per cent in 2007 compared with 2006.

Further growth prospects are to some extent based on the proprietary ODIM CTCU™ technology. This technology fits well with future deepwater projects. The technology makes it possible to use fiber rope instead of steel wire cables for installation work in deep water, which provides major benefits in terms of weight. That in turn permits the use of smaller and cheaper vessels. There are a growing number of subsea installation vessels in order, and a couple of years ahead there may be a total of 200 potential vessels for installation of ODIM CTCU™.

In addition to the relatively short term potential in subsea installation, ODIM sees interesting opportunities within the mooring market in longer term.

ODIM sees a great potential in the deepwater market, and this represent the number one growth area for the company. With fewer large discoveries and more petroleum exploration in deep water, a strong growth in deepwater installation is expected from 2008-09. ODIM therefore believes that the Mooring and Deepwater Installation business area has the potential to become as least as big as the Offshore Service Vessels business area.

For ODIM, the acquisition of JMC represents an important and necessary first step towards making ODIM the leading provider of automated handling solutions for deepwater operations. The contract from Aker Oilfield Services to deliver a 125-ton ODIM CTCU™ system represents an important next step in the commercialization of the technology demonstrating the unique qualities of the ODIM CTCU™ technology. The acquisition of ABAS and AB Winch



supplements the potential system deliveries in deepwater installation further. Last but not least, the investment in an assembly and testing facility in Vietnam secures the long term growth opportunities for the ODIM group.

Following an eventful quarter with an extensive acquisition activity the focus going forward will be on integration of the different acquisitions and execute on the deepwater strategy. ODIM will also keep on having a strong focus on costs and project execution to secure that customer projects are completed on time and on cost.

## **EVENTS AFTER THE END OF THE REPORTING PERIOD**

October 23: ODIM and Kleven Industrier reached a settlement in the dispute over the final purchase agreement for the acquisition of Hydrakraft. ODIM receives a final compensation of NOK 6 million. The parties also agreed to establish long- term cooperation with the aim of developing each others customer/supplier relations. Kleven Industrier is one of the largest shipbuilding groups in Norway.

As a consequence of the settlement, NOK 13.9 million has been reclassified from "Other receivables" to "Goodwill" in the balance sheet at September 30, 2007.

October 26: ODIM announced plans to acquire DIMO for NOK 36 million to strengthen after sales and service capacity within the organization. Continued growth within all market areas has resulted in increased activity in the After Sales and Service division, both nationally and internationally. The acquisition will pro- actively add substantial capacity and expertise to help realize the full potential within this important market area.

November 1: ODIM reached an agreement on acquiring ABAS Crane and Aker Brattvaag Winch for a total of NOK 80 million. These two companies deliver such products as special cranes, lifting systems and specialized electrical winches for ships and offshore installations. Together with ODIM`s unique ODIM CTCU™ technology and systems for demanding installation assignments in deep waters, these products will represent a complete system package for customers in the deepwater market.

Hareid, 13 November 2007

The board of directors of  
ODIM ASA

PROFIT AND LOSS ACCOUNT [NOK MILLION]	ODIM GROUP							
	Q3- 07	Q2- 07	Q1- 07	Q4- 06	Q3- 06	YTD- 07	YTD- 06	2006
<b>Operating revenues</b>	<b>322.5</b>	<b>322.4</b>	<b>294.8</b>	<b>269.6</b>	<b>199.5</b>	<b>939.6</b>	<b>609.0</b>	<b>878.6</b>
Material and services	185.3	179.8	171.1	149.4	116.7	536.2	360.1	509.5
Change in inventories of work in progress	-	-	(1.8)	-	-	(1.8)	-	-
Salaries and social security costs	53.6	64.8	55.7	61.5	42.3	174.1	126.1	187.6
Other operating expenses	29.4	24.3	22.5	23.2	15.8	76.2	45.8	69.0
Bad debts and provision for bad debts	0.0	-	-	(11.1)	-	0.0	-	(11.1)
<b>Total operating expenses</b>	<b>268.3</b>	<b>268.9</b>	<b>247.6</b>	<b>223.0</b>	<b>174.8</b>	<b>784.8</b>	<b>532.0</b>	<b>755.1</b>
<b>EBITDA</b>	<b>54.2</b>	<b>53.5</b>	<b>47.2</b>	<b>46.6</b>	<b>24.7</b>	<b>154.8</b>	<b>77.0</b>	<b>123.6</b>
Ordinary depreciation	1.8	1.9	2.7	5.0	2.9	6.4	8.0	13.1
Amortization intangible assets	1.7	1.7	1.7	1.7	0.8	5.1	2.3	4.0
<b>Amortization and depreciation</b>	<b>3.5</b>	<b>3.6</b>	<b>4.3</b>	<b>6.7</b>	<b>3.6</b>	<b>11.5</b>	<b>10.4</b>	<b>17.1</b>
<b>EBIT</b>	<b>50.6</b>	<b>49.9</b>	<b>42.9</b>	<b>39.9</b>	<b>21.0</b>	<b>143.4</b>	<b>66.6</b>	<b>106.5</b>
Loss/(gain) from investment in associated companies	-	-	-	-	-	-	(0.1)	(0.1)
Financial income	(5.6)	(4.1)	(4.7)	(3.5)	(1.0)	(14.4)	(4.9)	(6.8)
Financial expenses	0.1	0.1	0.6	2.8	0.9	0.8	2.4	3.6
<b>Profit before taxes</b>	<b>56.1</b>	<b>53.9</b>	<b>47.0</b>	<b>40.5</b>	<b>21.1</b>	<b>157.0</b>	<b>69.3</b>	<b>109.8</b>
Taxes	16.2	15.4	14.1	11.0	6.0	45.6	(7.4)	3.6
<b>PROFIT FOR THE PERIOD</b>	<b>40.0</b>	<b>38.5</b>	<b>32.9</b>	<b>29.5</b>	<b>15.1</b>	<b>111.4</b>	<b>76.7</b>	<b>106.2</b>
Hereof minority share	(0.0)	(0.0)	(0.0)	1.5	-	(0.0)	0.3	1.8
Earnings per share (NOK 1)	0.89	0.86	0.74	0.67	0.34	2.49	1.73	2.40
Diluted earnings pr share (NOK 1)	0.86	0.84	0.72	0.65	0.33	2.42	1.70	2.33
Number of shares *1)	44 885 640	44 773 284	44 649 640	44 223 640	44 223 640	44 770 772	44 223 640	44 223 640
Diluted number of shares *2)	46 191 696	46 030 435	45 928 700	45 779 612	45 548 440	46 026 691	45 145 788	45 472 104
Share options *3)	1 546 000	1 546 000	1 674 000	2 208 000	2 208 000	1 546 000	2 208 000	2 208 000

\*1) Weighted average number of shares in the period.

\*2) Using treasury stock method. If striking price on outstanding share options are lower than market price no diluting effect is shown.

\*3) Outstanding share options at end of period.

CHANGES IN EQUITY [NOK MILLION]	ODIM GROUP		
	YTD- 07	YTD- 06	2006
Translation differenses	0.8	0.3	(3.4)
Changed minority	(0.0)	1.4	1.4
Adjustment stock option plan	2.8	3.8	5.1
Capital increase through cash contribution / exercise of option	7.3	-	-
Net effect of secured currency loan at market value	1.0	-	(1.1)
<b>Income and expenses recognised directly in equity</b>	<b>11.8</b>	<b>5.5</b>	<b>2.0</b>
Profit for the period	111.4	76.7	106.2
<b>Total recognised income and expenses for the period</b>	<b>123.1</b>	<b>82.1</b>	<b>108.2</b>
Attributable to:			
Equity holders of the company	123.1	81.8	105.0
Minority interest	(0.0)	0.3	3.2
<b>Total recognised income and expenses for the period</b>	<b>123.1</b>	<b>82.1</b>	<b>108.2</b>
Equity at start of period	241.8	133.6	133.6
<b>Equity at end of period</b>	<b>365.0</b>	<b>215.8</b>	<b>241.8</b>
Minority share	3.2	1.7	3.2

## BALANCE SHEET

## ODIM GROUP

[NOK MILLION]	30 SEP 07	30 SEP 06	31 DEC 06
<b>ASSETS</b>			
Patents, licenses, non- compete and similar rights	31.5	10.1	35.8
Goodwill	51.2	33.6	37.2
<b>Total intangible assets</b>	<b>82.7</b>	<b>43.7</b>	<b>72.9</b>
<b>Total tangible assets</b>	<b>37.6</b>	<b>35.9</b>	<b>38.8</b>
Deferred tax asset	0.0	19.1	11.4
Shares in other companies	2.3	3.0	2.3
Other long term recievables	5.8	3.3	6.8
Pension funds	1.4	1.5	1.4
<b>Total financial assets</b>	<b>9.5</b>	<b>26.8</b>	<b>21.9</b>
<b>Total non current assets</b>	<b>129.8</b>	<b>106.4</b>	<b>133.6</b>
<b>Inventories</b>	<b>19.3</b>	<b>15.6</b>	<b>16.6</b>
Accounts receivable	72.8	36.5	76.4
Accrued income	228.0	131.3	142.7
Prepayment to suppliers	31.2	2.0	18.9
Other receivables	51.1	49.5	51.4
<b>Total receivables</b>	<b>383.0</b>	<b>219.3</b>	<b>289.4</b>
Bank deposits	380.4	141.9	226.4
<b>Total current assets</b>	<b>782.7</b>	<b>376.8</b>	<b>532.4</b>
<b>TOTAL ASSETS</b>	<b>912.5</b>	<b>483.2</b>	<b>666.0</b>
<b>[NOK MILLION]</b>	<b>30 SEP 07</b>	<b>30 SEP 06</b>	<b>31 DEC 06</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital	22.4	22.1	22.1
Share premium	7.7	0.8	0.8
Other paid- in capital	33.9		31.1
Translation differences	(0.5)		(0.4)
Retained earnings	298.2	191.2	185.0
<b>Equity attributed to parent company shareholders</b>	<b>361.8</b>	<b>214.1</b>	<b>238.6</b>
Minority interest	3.2	1.7	3.2
<b>Total equity</b>	<b>365.0</b>	<b>215.8</b>	<b>241.8</b>
Pension liabilities	5.7	4.2	5.0
Deferred taxes	1.3	1.6	1.3
<b>Total provision for liabilities</b>	<b>7.1</b>	<b>5.8</b>	<b>6.3</b>
Long term loans	1.1	33.5	36.2
<b>Total non current liabilities</b>	<b>8.2</b>	<b>39.2</b>	<b>42.5</b>
Short term loans	0.8	6.3	6.8
Accounts payable	115.5	70.5	81.0
Taxes payable	30.2	0.9	1.0
Public duties payable	7.8	5.2	13.2
Preinvoiced production	295.9	87.3	210.9
Other payables	89.2	58.0	69.0
<b>Total current liabilities</b>	<b>539.3</b>	<b>228.2</b>	<b>381.8</b>
<b>Total liabilities</b>	<b>547.5</b>	<b>267.5</b>	<b>424.3</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>912.5</b>	<b>483.2</b>	<b>666.0</b>

**CASH FLOW STATEMENT**
**ODIM GROUP**

<b>[NOK MILLION]</b>	<b>Q3-07</b>	<b>Q3-06</b>	<b>30 SEP 07</b>	<b>30 SEP 06</b>	<b>31 DEC 06</b>
Profit before taxes	56.1	21.1	157.0	69.3	109.8
Taxes paid	(1.0)	(1.6)	(3.0)	(4.4)	(6.9)
Interest paid	0.1	0.5	0.8	1.1	3.6
Amortization and depreciation	3.5	3.6	11.5	10.4	17.1
Loss / (gain) from investment in subsidiaries	-	-	-	(0.1)	(0.1)
Change in accrued income	(49.5)	(39.2)	(85.3)	(40.0)	(51.3)
Changes in inventories	0.7	1.0	(2.6)	(8.5)	(9.5)
Changes in receivables	(40.1)	26.9	(21.1)	(35.1)	(99.2)
Changes in accounts payables	13.0	(19.1)	34.5	10.8	21.3
Difference expenced pension - paid premiums	0.7	(0.0)	0.7	1.8	2.7
Changes in preinvoiced production	(63.0)	15.8	85.0	68.4	191.9
Changes in other current balance sheet items	16.0	22.0	16.3	35.1	54.8
<b>Net cash flow from operating activities</b>	<b>(63.5)</b>	<b>31.1</b>	<b>193.6</b>	<b>108.8</b>	<b>234.2</b>
Purchase of tangible assets	(2.9)	(2.9)	(14.5)	(16.7)	(24.3)
Purchase of intangible assets	-	-	-	(35.4)	(35.6)
Net cash effect from investment in OHI	-	0.0	-	49.1	49.1
Net cash effect from investment in BOT	-	-	-	-	(34.4)
Proceeds from sale of tangible assets	-	-	9.4	-	-
Shares in associates and other investments	-	0.7	-	(0.6)	0.1
<b>Net cash flow from investing activities</b>	<b>(2.9)</b>	<b>(2.2)</b>	<b>(5.1)</b>	<b>(3.6)</b>	<b>(45.2)</b>
Capital increase through cash contribution	(0.0)	-	7.3	-	-
Change in long term loans and long term liabilities	(4.3)	(0.7)	(35.0)	(2.0)	0.7
Change in short term loans/overdraft facility	(1.5)	0.6	(6.0)	(0.7)	(0.3)
Interest paid	(0.1)	(0.5)	(0.8)	(1.1)	(3.6)
Dividend paid to minority interest	-	-	-	(10.3)	(10.3)
<b>Net cash flow from financing activities</b>	<b>(5.9)</b>	<b>(0.6)</b>	<b>(34.5)</b>	<b>(14.1)</b>	<b>(13.5)</b>
<b>Net change in cash</b>	<b>(72.3)</b>	<b>28.4</b>	<b>154.1</b>	<b>91.1</b>	<b>175.5</b>
Cash at start of period	452.8	113.5	226.4	50.8	50.8
<b>Cash at end of period</b>	<b>380.4</b>	<b>141.9</b>	<b>380.4</b>	<b>141.9</b>	<b>226.4</b>

**SEGMENT INFORMATION**
**ODIM GROUP**

<b>OFFSHORE SERVICE VESSELS</b>	<b>Q3-07</b>	<b>Q2-07</b>	<b>Q1-07</b>	<b>Q4-06</b>	<b>Q3-06</b>	<b>YTD-07</b>	<b>YTD-06</b>	<b>2006</b>
Revenues	289.7	287.3	262.1	237.6	183.6	839.1	569.7	807.3
EBITDA	49.4	48.7	44.0	41.3	23.1	142.1	75.5	116.7
EBIT	47.1	46.3	42.0	39.3	21.0	135.4	69.7	109.1
EBITDA margin	17.0%	16.9%	16.8%	17.4%	12.6%	16.9%	13.3%	14.5%
EBIT margin	16.2%	16.1%	16.0%	16.5%	11.5%	16.1%	12.2%	13.5%
<b>NAVAL, OCEANOGRAPHIC &amp; POWER</b>	<b>Q3-07</b>	<b>Q2-07</b>	<b>Q1-07</b>	<b>Q4-06</b>	<b>Q3-06</b>	<b>YTD-07</b>	<b>YTD-06</b>	<b>2006</b>
Revenues	28.5	32.6	30.5	26.6	13.1	91.6	36.3	62.8
EBITDA	5.7	6.1	5.4	5.3	2.2	17.3	6.2	11.5
EBIT	4.5	4.9	4.3	4.0	2.1	13.7	5.8	9.8
EBITDA margin	20.1%	18.9%	17.7%	20.0%	17.0%	18.9%	17.1%	18.3%
EBIT margin	15.9%	15.1%	14.1%	14.9%	16.1%	15.0%	16.1%	15.6%
<b>MOORING &amp; DEEPWATER INSTALLATION</b>	<b>Q3-07</b>	<b>Q2-07</b>	<b>Q1-07</b>	<b>Q4-06</b>	<b>Q3-06</b>	<b>YTD-07</b>	<b>YTD-06</b>	<b>2006</b>
Revenues	4.2	2.5	2.2	5.4	2.7	8.9	3.1	8.5
EBITDA	-1.0	-1.4	-2.2	0.0	-0.7	-4.5	-4.7	-4.6
EBIT	-1.0	-1.4	-3.5	-3.3	-2.3	-5.8	-9.1	-12.4
EBITDA margin	-	-	-	-	-	-	-	-
EBIT margin	-	-	-	-	-	-	-	-

<b>ORDER BACKLOG</b>					<b>ODIM GROUP</b>				
<b>[NOK MILLION]</b>	<b>Q3-07</b>	<b>Q2-07</b>	<b>Q1-07</b>	<b>Q4-06</b>	<b>Q3-06</b>	<b>Q2-06</b>	<b>Q1-06</b>	<b>Q4-05</b>	<b>Q3-05</b>
Offshore Service Vessels	1 511	1 540	1 520	1 105	971	578	420	265	267
Naval, Oceanographic & Power	120	133	112	119	93	75	89	92	19
Mooring & Deepwater Installation	64	14	-	2	6	6	6	-	-
<b>Sum order backlog end of period</b>	<b>1 695</b>	<b>1 688</b>	<b>1 632</b>	<b>1 226</b>	<b>1 070</b>	<b>660</b>	<b>515</b>	<b>357</b>	<b>286</b>
<b>ORDER INTAKE</b>									
<b>[NOK MILLION]</b>	<b>Q3-07</b>	<b>Q2-07</b>	<b>Q1-07</b>	<b>Q4-06</b>	<b>Q3-06</b>	<b>Q2-06</b>	<b>Q1-06</b>	<b>Q4-05</b>	<b>Q3-05</b>
Offshore Service Vessels	261	308	677	372	576	361	338	112	157
Naval, Oceanographic & Power	15	54	24	52	31	0	7	85	3
Mooring & Deepwater Installation	54	16	0	2	2	0	6	-	-
<b>Sum order intake in period</b>	<b>330</b>	<b>378</b>	<b>701</b>	<b>425</b>	<b>610</b>	<b>361</b>	<b>351</b>	<b>197</b>	<b>160</b>

## STATEMENT OF COMPLIANCE

This quarterly report has been prepared in accordance with international financial reporting standards (IFRS) IAS- 34 Interim Financial Reporting. It does not include all the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the ODIM group for the year ended 31 December 2006.

## SIGNIFICANT ACCOUNTING PRINCIPLES

The accounting policies applied by the group in this quarterly report are the same as those applied by the group in its consolidated financial statements for the year ended 31 December 2006.

## DISCLAIMER FOR FORWARD- LOOKING STATEMENTS

This quarterly report includes and is based, inter alia, on forward- looking information and statements that are subject to risks and uncertainties that could cause actual results to differ. Such forward- looking information and statements are based on current expectations, estimates and projections about global economic conditions, the economic conditions of the regions and industries that are major markets for ODIM ASA and its subsidiaries. These expectations, estimates and projections are generally identifiable by statements containing words such as "expects", "believes", "estimates" or similar expressions. Important factors that could cause actual results to differ materially from those expectations include, among others, economic and market conditions in the geographic areas and industries that are or will be major markets for the ODIM's businesses, oil prices, market acceptance of new products and services, changes in governmental regulations, interest rates, fluctuations in currency exchange rates and such other factors as may be discussed from time to time. Although ODIM ASA believes that its expectations and the information in this report were based upon reasonable assumptions at the time when they were made, it can give no assurance that those expectations will be achieved or that the actual results will be as set out in this report. ODIM ASA nor any other company within the ODIM group is making any representation or warranty, expressed or implied, as to the accuracy, reliability or completeness of the information in the report, and neither ODIM ASA, any other company within the ODIM group nor any of their directors, officers or employees will have any liability to you or any other persons resulting from your use of the information in the report. ODIM ASA undertakes no obligation to publicly update or revise any forward- looking information or statements in the report.

## FACTS ABOUT ODIM ASA

ODIM ASA is a fast- expanding Norwegian technology company which develops and sells advanced automated handling solutions, primarily cable handling systems and winches for use on offshore and naval vessels. The company occupies a leading position in selected market segments.

Through its subsidiaries in North America, it is also solidly rooted in the defence sector.

In addition to its established market segments, ODIM will be making a heavy commitment to the very promising deepwater market.

For further information, visit [www.odim.com](http://www.odim.com) or contact:

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