

Second quarter 2006

ODIM

ODIM ASA, second quarter 2006

This report is in accordance with IAS 34.

ODIM announces unaudited results for the second quarter of 2006

Record high revenues, order intake and backlog

Hareid, 29 August 2006: The strong growth in first quarter of 2006 has continued into second quarter of 2006. Revenues came to NOK 216.6 million (2Q 2005: NOK 70.9 million). This was primarily caused by the high level of activity in the *Offshore service vessels* business area. ODIM reports an operating profit (EBITDA) of NOK 24.7 million (2Q 2005: NOK 10.7 million) for the second quarter. The market is still expected to be strong and with attractive opportunities.

Order intake during the quarter was NOK 361 million. This brings the order backlog at 30 June to a solid NOK 660 million. In addition, ODIM has received several new orders in July and August. These add about NOK 300 million to the backlog, and will mainly be related to 2007 activity. The current backlog now secures almost full capacity utilisation for the group during the rest of 2006 and first half of 2007.

HIGHLIGHTS OF THE SECOND QUARTER

- Strong market conditions bring quarterly revenues to record high
- Major seismic contracts contribute to record high order intake in second quarter
- Breakthrough for ABCS in supply in first quarter confirmed by two new contracts in second quarter
- Safeguarding of shareholder value through sale of the Hjørungavåg property
- Financial position strengthened further after received dividend of NOK 51.3 million from OHI

KEY FINANCIAL FIGURES (NOK million)	Q2-06	Q2-05	YTD-06	YTD-05	2005
Revenues	216,6	70,9	409,5	141,6	347,1
EBITDA	24,7	10,7	52,3	16,7	35,7
EBIT	21,2	10,2	45,6	15,7	33,3
Profit before taxes	23,2	9,7	48,1	14,9	29,4
Profit for the period	29,5	11,7	61,5	16,2	31,4
EBITDA margin	11,4 %	15,1 %	12,8 %	11,8 %	10,3 %
EBIT margin	9,8 %	14,4 %	11,1 %	11,1 %	9,6 %

FINANCIAL RESULTS

Revenues of NOK 216.6 million in the second quarter reflect a substantially higher level of activity than in the corresponding period of 2005, when revenues totalled NOK 70.9 million.

ODIM achieved an EBITDA of NOK 24.7 million in the second quarter (2Q 2005: NOK 10.7 million). The EBITDA margin for the second quarter was 11.4 per cent (2Q 2005: 15.1 per cent). The EBITDA margin is in percentage lower than in first quarter 2006, primarily due to larger share of procurement in the second quarter, weaker margins from Hydrakraft projects and specific zero margin project which was finalized in second quarter.

EBIT for the second quarter was NOK 21.2 million (2Q 2005: 10.2 million) and profit before taxes was NOK 23.2 million (2Q 2005: 9.7 million).

Tax income for the second quarter came to NOK 6.3 million, reflecting expectations of further improved profit in the future for the Norwegian companies in the group and the fact that it is now possible to justify recognising the remaining share of previously unbooked deferred tax assets in the balance sheet.

FINANCIAL ISSUES

Investment in tangible fixed assets during the second quarter came to NOK 4.6 million of which NOK 2.8 million was related to a further upgrading of the CTCU. A system is now prepared for rental purposes to Subsea 7. This upgrading is primarily related to challenges solving the rubbing, and total investment for this purpose is expected to reach approximately NOK 6.8 million, of which NOK 4.8 million has been spent so far.

ODIM is in a solid financial position. The cash position at the end of the quarter was NOK 113.5 million. Undrawn committed bank revolving credit facilities amounted to NOK 35 million, representing a total liquidity buffer of NOK 148 million.

Working capital at 30 June was NOK 126 million, compared with NOK 88 million at December 31, 2005. Net interest-bearing receivables totalled NOK 73 million at 30 June, an increase of NOK 9 million from 31 December 2005. The equity ratio at 30 June was 44 per cent.

MARKET DEVELOPMENT AND OPERATIONS

Energy markets remain strong due to record-high prices. Strong oil demand combined with limited supply, contributed to the historical levels in second quarter. E&P spending is high, stimulating demand for oil services, especially demand for seismic services.

ODIM is divided into three business areas, covering *Offshore service vessels*, *Marine* and *Mooring and deepwater installation*. The company has been delivering customer solutions in the first two business areas for several years, while working for some time to achieve a breakthrough in the third area. This was achieved in both technological and commercial terms during February 2006.

Offshore service vessels

Market segments covered by *Offshore service vessels* primarily involve seismic surveying, supply and subsea. ODIM also sells automated handling solutions for scientific and research vessels. The *Offshore service vessels* business area had revenues of NOK 203.0 million in the second quarter (2Q 2005: NOK 54.8 million).

The area had an EBITDA of NOK 24.6 million for the period (2Q 2005: NOK 6.8 million) and an EBITDA margin of 12.1 per cent (2Q 2005: 12.4 per cent).

ODIM ranks as the world's leading supplier of cable-handling solutions to seismic survey companies, and confirmed this position by securing several new contracts in this area during the second quarter. The major orders were for NOK 140 million placed by GC Rieber Shipping (two new buildings), NOK 90 million placed by PGS (Ramform) and NOK 40 million placed by Fugro Geoteam (addition "Geo Celtic").

A commercial breakthrough was secured by ODIM in February for an automated bulk-hose connection system (ABCS) which provides secure delivery of liquids and other cargo from supply ships to drilling rigs. After a first contract worth some NOK 16.5 million placed by Aker Brevik Yard, this system is expected to set a new standard for safe deck operations on supply vessels.

During the second quarter ODIM was awarded two additional ABCS contracts. One order was for NOK 20 million placed by Kleven Verft for District Offshore and the second for NOK 14 million to Havyard Leirvik for Havila Shipping.

Following the acquisition of Hydrakraft, ODIM will also occupy a stronger position in the supply market. This means that it can now develop an even more complete equipment package for customers.

No major orders were awarded within the subsea market in the second quarter. However, based on estimates on global subsea spending by industry analysts, and based on outlook statements from

several subsea operators, the activity in the subsea market is expected to pick up. ODIM expects that this will lead to increased demand for ODIM's heave compensations systems going forward.

The order backlog for offshore service vessels at 30 June was NOK 578 million, up by NOK 400 million from the same date in 2005. In addition, ODIM has received new orders in July and August. These add about NOK 270 million to the backlog, and will mainly be related to 2007 activity.

Customers do also have options in approximately NOK 300 million which not yet have been exercised.

Marine

ODIM's operations in the defence industry are run by Canadian subsidiary ODIM Spectrum, which has developed cable-handling technology for towing and handling sensor systems.

This business area had revenues of NOK 13.5 million in the second quarter (2Q 2005: NOK 15.5 million).

It had an EBITDA of NOK 2.2 million (2Q 2005: NOK 3.8 million) and an EBITDA margin of 16.1 per cent (2Q 2005: 24.6 per cent).

ODIM was not awarded any new substantial contracts in this business area during the second quarter. Based on the current backlog and potential projects, however, annual revenues for 2006 in the *Marine* are expected to be at the same level as in 2005.

As described in the first quarter report, ODIM has worked on developing the North American operations. This has led to an agreement to acquire BOT in third quarter, which is described at the end of this report.

The order backlog for the marine business area at 30 June 2006 was NOK 76 million, up by NOK 50 million from the corresponding date in 2005. In addition, ODIM has received new orders in July and August. These add about NOK 30 million to the backlog, there of 50 per cent related to 2006 activity.

Mooring and deepwater installation

ODIM has developed a concept for using fibre rope instead of steel wire to conduct large and heavy operations in deep water, named the ODIM CTCU™ (Cable Traction Control Unit). This solution is expected to play an important role in the mooring and deepwater installation business area. This business is still in its early stages.

The business area had revenues of NOK 0.1 million in the second quarter (2Q 2005: NOK 0.6 million), and a negative EBITDA of NOK 2.0 million (2Q 2005: NOK 0.1 million).

ODIM is focused on developing the promising CTCU technology. During second quarter the company received NOK 15 million in commitment from Norges Forskningsråd to partly fund the next stage of the development. ODIM will take a step by step approach to further develop the very promising technology.

OTHER MATTERS

Hydrakraft

ODIM has still not agreed the 2005 profit and loss account for Hydrakraft with the seller of this company. The original purchase agreement between the two parties specifies that ODIM will in general be compensated for any loss above NOK 2.8 million for Hydrakraft in 2005. A preliminary calculation carried out by ODIM for the profit and loss account for Hydrakraft in 2005 deviates from the latter company's own calculations. From first to second quarter, this deviation has increased from NOK 13.3 million to NOK 19.6 million. The deviation is still temporarily classified as "other receivables" in the balance sheet. The discrepancy is expected to be solved by a court of arbitration during 2006.

Most of the Hydrakraft projects taken over by ODIM at January 1 2006 (a backlog of about NOK 95 million) have made a smaller contribution than expected also in the second quarter. Revenues from

the former Hydrakraft activity represent roughly NOK 20 million in second the quarter. The major project is for Labroy Shipyard, which represented a net backlog at 30 June of some NOK 48 million. This project will remain part of ODIM's activity for the rest of 2006 and part of 2007 without the expected margins.

OHI

At the end of April 2006, and for a cost price of NOK 30.5 million, ODIM bought another 33.4 per cent of the shares in OHI AS, and is now holding 83.3 per cent of the shares in the company. For that purpose, OHI AS with its subsidiary, OHI Fibre optics AS, are from May 1 2006 fully consolidated into the ODIM's accounts. On May 1 2006, OHI also sold the shares in its other subsidiary, OHI Eiendom AS, to Havila AS. This transaction ensured an improved rental agreement for ODIM, and also ensured a further development of the plant in Hjørungavåg. The sales price for the shares in OHI Eiendom AS was NOK 11.1 million. The price was based upon a value of the plant in Hjørungavåg in NOK 62.0 million, deducted for liabilities in the company at April 30 in NOK 50.9 million.

Based upon the yield and rental period for ODIM, the rental will for the future be reported as operational.

In the end of June 2006, ODIM received NOK 51.3 million in dividend from OHI AS. Because OHI is consolidated into the accounts in second quarter, the dividend is not shown as an income for ODIM in the profit and loss statement, but deducted against the purchase price of the OHI shares.

OHI is consolidated into the balance at June 30 with an excess value of NOK 11.8 million and this value is classified as goodwill in the balance sheet.

In the second quarter, the OHI companies contribute in ODIM's balance sheet as follows (OHI Eiendom is not included in these figures because the shares in that company were sold as of May 1, 2006) :

ASSETS (NOK million)	Effect on ODIM GROUP balance sheet
Total intangible assets	-
Total tangible assets	-
Shares in other companies	282
Other long term recievables	3 257
Pension funds	155
Total financial assets	3 694
Total non current assets	3 694
Inventories	-
Accounts receivable	314
Other receivables	2 518
Total receivables	2 831
Bank deposits	10 236
Total current assets	13 067
TOTAL ASSETS	16 760
EQUITY AND LIABILITIES (NOK million)	
Total paid-in capital	115
Retained earnings	10 574
Total equity	10 689
Total provision for liabilities	-
Long term loans	1 391
Total non current liabilities	1 391
Accounts payable	419
Public duties payable	76
Other payables	4 186
Total current liabilities	4 680
Total liabilities	6 071
TOTAL EQUITY AND LIABILITIES	16 760
<i>Fair value of purchased assets and liabilities:</i>	
Purchased net assets implemented in group	10 689
Hereoff related to sale of OHI Eiendom AS	-1 551
Net assets purchased	9 138
ODIM ASA's share of OHI (83,3%)	7 612
Goodwill	11 828
Net purchase price after received dividend	19 440

The OHI companies have further contributed to the profit and loss statement in second quarter as follows:

Revenues:	0.0
EBITDA:	- 0.2
EBIT:	- 0.2
Profit before tax:	1.6

The difference between EBIT and profit before tax in NOK 1.8 million is primarily related to the disposal of OHI Eiendom AS. Based upon booked values, this disposal gave a gain of NOK 1.5 million.

OUTLOOK

The *Offshore service vessels* business area has continued to develop positively in recent months, and is expected to remain strong for the rest of 2006 and beyond. Revenues and operating profit are expected to be significantly above the 2005 level.

ODIM will further strengthen its strategic position in the company's present market segments during 2006. In the seismic segment ODIM expects activity to remain high in both 2007 and 2008. The subsea segment is expected to pick up going forward, while ODIM expects to take a stronger position in the supply segment due to expected increasing focus on equipment ensuring safe operations. Following the Hydrakraft acquisition, ODIM will also be able to provide a broader range of automated handling solutions for supply vessels.

ODIM has moved from a small company to a medium sized company in a relatively small period of time. As a result, the company is preparing for the next growth phase. The first step has been to develop the capacity and cost efficiency of the group's sub-contractor network. Odim is currently working on step two: A thorough evaluation of ODIM operations.

Today, ODIM operates close to its capacity limit. Consequently, further business growth will necessitate increased administration and work force, which in today's challenging resource situation within the oil sector, must be expected to incur increased cost. Developing capacity while remaining focused on cost efficiency, will be a key priority for ODIM going forward.

Within *Marine*, ODIM Spectrum has signed an agreement with Brooke Ocean Technology Ltd (BOT) on acquiring the company. This acquisition is expected to strengthen ODIM's operations in North America and contribute to further development of the marine business area by strengthening its position as a supplier of larger defence contracts even further. Additional opportunities for this business area will also be explored. The due diligence of BOT is anticipated to be closed during September.

The North American operations have historically contributed to healthy margins. ODIM believes that there is potential for increased shareholder value through developing the operations further. The steps taken so far in 2006 contribute to a broader product portfolio, increased market penetration and better scaling opportunities. ODIM will look into the organization of the overseas operations.

From the level of industrial interest, after the successful development of the CTCU technology, accumulated by the contract with Subsea 7 for the 50T CTCU prototype, ODIM has a sustained trust that this technology will represent a large growth within the *Deepwater and mooring* segment, at least the next 4 - 6 years.

Several projects have been presented to ODIM by some of the major marine contractors, and system developments are in process in close cooperation with the end-users. These are all deepwater projects, mainly for West Africa, Gulf of Mexico and Brazil, where the clients are clearly addressing their problems with traditional steel wire solutions. The projects will typically require CTCU systems with 50 - 75 - 125 - 250 tons lifting capacity.

EVENTS AFTER THE END OF THE REPORTING PERIOD

July 14: ODIM Spectrum Ltd, a subsidiary of ODIM ASA, signed an agreement with Brooke Ocean Technology Ltd (BOT) on acquiring all the shares in the company for CAD 7 million. This acquisition is expected to strengthen ODIM's operations in North America and help to further develop the assets in its ODIM Spectrum Ltd subsidiary in Canada.

Hareid, 29 August 2006

The board of directors of
ODIM ASA

PROFIT AND LOSS ACCOUNT - IFRS							ODIM GROUP	
(NOK million)	Q2-06	Q1-06	Q4-05	Q3-05	Q2-05	YTD-06	YTD-05	2005
Operating revenues	216,6	193,0	127,4	78,1	70,9	409,5	141,6	347,1
Material and services	134,2	109,2	77,0	39,2	31,8	243,4	69,8	186,0
Change in inventories of work in progress	-	-	-0,1	0,1	-0,1	-	-0,1	-0,1
Salaries and social security costs	42,9	40,9	28,6	20,6	21,1	83,8	40,4	89,5
Other operating expenses	14,8	15,3	11,3	9,9	7,3	30,1	14,8	35,9
Total operating expenses	191,9	165,4	116,8	69,7	60,1	357,2	124,9	311,4
EBITDA	24,7	27,6	10,6	8,4	10,7	52,3	16,7	35,7
Ordinary depreciation	2,7	2,4	0,8	0,5	0,5	5,2	1,1	2,4
Amortization intangible assets	0,8	0,8	-	-	-	1,5	-	-
Amortization and depreciation	3,5	3,2	0,8	0,5	0,5	6,7	1,1	2,4
EBIT	21,2	24,4	9,8	7,8	10,2	45,6	15,7	33,3
Loss/(gain) from investments in associated companies	0,2	-0,3	1,0	-	-	-0,1	-	1,0
Net financial items	-2,2	-0,3	1,5	0,7	0,5	-2,5	0,8	2,9
Profit before taxes	23,2	25,0	7,3	7,2	9,7	48,1	14,9	29,4
Taxes	-6,3	-7,1	1,3	-1,9	-2,0	-13,4	-1,3	-2,0
PROFIT FOR THE PERIOD	29,5	32,1	6,1	9,1	11,7	61,5	16,2	31,4
Hereof minority share	0,3					0,3		
Earnings per share (NOK 1)	2,67	2,90	0,61	1,02	1,34	5,56	1,86	3,49
Diluted earnings pr share (NOK 1)	2,61	2,87	0,61	1,02	1,34	5,48	1,86	3,49
Number of shares *1)	11 055 910	11 055 910	10 031 514	8 921 771	8 723 180	11 055 910	8 723 180	8 992 341
Diluted number of shares *2)	11 304 310	11 158 417	10 031 514	8 971 876	8 723 180	11 231 251	8 723 180	8 992 341
Share options *3)	552 000	552 000	436 159	579 589	573 710	552 000	573 710	436 159

*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.

SEGMENT INFORMATION - IFRS							ODIM GROUP	
	Q2-06	Q1-06	Q4-05	Q3-05	Q2-05	YTD-06	YTD-05	2005
OFFSHORE SERVICE VESSELS								
Revenues	203,0	183,2	114,5	67,2	54,8	386,1	108,8	290,4
EBITDA	24,6	27,8	11,8	8,2	6,8	52,4	8,6	28,5
EBIT	22,7	26,0	11,1	7,8	6,4	48,7	7,8	26,6
EBITDA margin	12,1 %	15,2 %	10,3 %	12,2 %	12,4 %	13,6 %	7,9 %	9,8 %
EBIT margin	11,2 %	14,2 %	9,7 %	11,6 %	11,7 %	12,6 %	7,1 %	9,2 %
MARINE								
Revenues	13,5	9,6	12,9	10,9	15,5	23,1	32,0	55,8
EBITDA	2,2	1,8	2,1	1,9	3,8	3,9	8,0	12,1
EBIT	2,1	1,7	2,0	1,8	3,7	3,7	7,8	11,5
EBITDA margin	16,1 %	18,4 %	16,3 %	17,7 %	24,6 %	17,1 %	25,2 %	21,6 %
EBIT margin	15,3 %	17,4 %	15,2 %	16,6 %	23,8 %	16,1 %	24,3 %	20,7 %
MOORING AND DEEPWATER INST.								
Revenues	0,1	0,3	-	-	0,6	0,3	0,9	0,9
EBITDA	-2,0	-2,0	-3,3	-1,7	0,1	-4,0	0,1	-4,9
EBIT	-3,6	-3,3	-3,3	-1,7	0,1	-6,8	0,1	-4,9
EBITDA margin								
EBIT margin								

BALANCE SHEET - IFRS		ODIM GROUP		
ASSETS (NOK million)	30.06.06	30.06.05	31.12.05	
Goodwill	33,3	4,9	5,3	
Other intangible assets	10,8			
Total intangible assets	44,1	4,9	5,3	
Land and premises	7,1	6,0	6,8	
Vehicles, machinery and equipment	24,4	3,3	18,7	
Furniture and fixtures	3,8	1,0	1,4	
Total tangible assets	35,3	10,2	26,9	
Shares in associated companies	-		40,3	
Shares in other companies	3,7	1,6	2,4	
Deferred tax asset	23,9	5,7	8,1	
Other long term receivables	3,3			
Pension funds	1,5	1,4	1,3	
Total financial assets	32,3	8,7	52,1	
Total non current assets	111,7	23,8	84,3	
Inventories	16,7	18,9	7,1	
Accounts receivable	53,0	28,2	36,1	
Accrued income	92,2	43,5	91,3	
Prepayment to suppliers	1,4	0,3	1,1	
Other receivables	59,4	3,6	17,2	
Total receivables	206,0	75,5	145,7	
Shares in associates held for sale	-	3,6	-	
Bank deposits	113,5	7,9	50,8	
Total current assets	336,2	105,9	203,7	
TOTAL ASSETS	447,9	129,8	288,0	
EQUITY AND LIABILITIES (NOK million)				
	30.06.06	30.06.05	31.12.05	
Share capital	22,1	17,4	22,1	
Share premium	47,8	8,0	47,8	
Total paid-in capital	69,9	25,5	69,9	
Retained earnings	126,3	13,8	63,7	
Minority interest	1,8			
Total equity	198,0	39,3	133,6	
Pension liabilities	4,2	2,1	2,2	
Deferred taxes	1,5	-	1,6	
Total provision for liabilities	5,7	2,1	3,8	
Long term loans	34,2	30,1	35,4	
Total non current liabilities	39,9	32,2	39,3	
Short term loans	5,7	11,5	7,0	
Accounts payable	88,7	22,7	59,7	
Taxes payable	0,4	0,8	0,7	
Public duties payable	9,3	4,5	5,8	
Preinvoiced production	71,5	6,1	18,9	
Other payables	34,4	12,6	23,0	
Total current liabilities	210,0	58,3	115,1	
Total liabilities	249,9	90,5	154,4	
TOTAL EQUITY AND LIABILITIES	447,9	129,8	288,0	

CHANGES IN EQUITY - IFRS		ODIM GROUP		
CHANGES IN EQUITY (NOK 1000)	YTD-2006	YTD-2005	2005	
Majority share of profit for the period	61,3	16,2	31,4	
Minority share of profit for the period	0,3			
Changed minority	1,5			
Adjustment stock option plan	2,5			
Capital increase through cash contribution / exercise of option			50,8	
Cash disbursement on exercise of option			-1,2	
Sale of own shares (through OHI AS)			27,0	
Translation differenses	-1,2	1,3	3,8	
Total changes in equity	64,4	17,5	111,8	
Equity at start of period	133,6	21,8	21,8	
Equity at end of period	198,0	39,3	133,6	

CASH FLOW STATEMENT - IFRS		ODIM GROUP		
CASH FLOW STATEMENT (NOK million)	YTD-06	YTD-05	2005	
Profit before taxes	48,1	14,9	29,4	
Taxes paid	-2,8	-2,2	-4,3	
Amortization and depreciation	6,7	1,1	2,4	
Loss / (gain) from investment in subsidiaries	-0,1		1,0	
Changes in inventories, receivables and payables	-42,4	-17,8	-46,9	
Difference expensed pension - paid premiums	1,8	0,3	0,6	
Changes in other current balance sheet items	65,7	6,0	31,9	
Net cash flow from operating activities	77,1	2,3	14,1	
Purchase of assets	-49,2	-0,8	-6,5	
Net cash effect from investment in OHI	49,1			
Proceeds from sale of tangible assets			0,1	
Shares in associates and other investments	-1,3	-5,2	-16,6	
Net cash flow from investing activities	-1,4	-6,9	-23,0	
Capital increase through cash contribution	0,0		48,5	
Cash disbursement on exercise of option			-1,2	
Change in long term loans	-1,3	-7,8	0,4	
Change in short term loans/overdraft facility	-1,4	9,8	2,4	
Dividend paid to minority interest	-10,3			
Net cash flow from financing activities	-12,9	2,0	50,1	
			-	
Net change in cash	62,7	-2,6	41,2	
Cash at start of period	50,8	9,6	9,6	
Cash at end of period	113,5	7,1	50,8	

ORDER BACKLOG / ORDER INTAKE		ODIM GROUP				
ORDER BACKLOG (NOK million)	Q2-06	Q1-06	Q4-05	Q3-05	Q2-05	Q1-05
Offshore service vessels	578,5	420,0	265,0	267,0	178,0	129,0
Marine	75,5	89,0	92,0	19,0	26,0	44,0
Mooring & DWI	6,0	6,0	-	-	-	-
Sum order backlog end of period	659,9	515,0	357,0	286,0	204,0	173,0
ORDER INTAKE (NOK million)	Q2-06	Q1-06	Q4-05	Q3-05	Q2-05	Q1-05
Offshore service vessels	361,4	338,0	112,0	157,0	103,0	123,0
Marine	0,0	7,0	85,0	3,0	-	13,0
Mooring & DWI	0,1	6,0	-	-	1,0	-
Sum order intake in period	361,5	351,0	197,0	160,0	104,0	136,0

STATEMENT OF COMPLIANCE

This quarterly Report have been prepared in accordance with international financial reporting standards (IFRS) IAS-34 Interim Financial Reporting. They do not include all of 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 2005.

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 2005

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 automation solutions, primarily cable-handling systems and winches for offshore and naval vessels.

The company currently occupies a leading position in selected market niches, such as seismic surveying and offshore supply. Through the ODIM Spectrum subsidiary in Canada, it also has a solid position in the defence market.

In addition to its established market niches, ODIM will be making a heavy future commitment to the very promising deepwater market. The company rests on a strong professional and technological base. Its head office is at Hareid in western Norway, with subsidiaries at Peterborough in Canada and Houston, Texas.

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