SECOND QUARTER 2007

RESULTS ANNOUNCEMENT

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This presentation was prepared for the August 22, 2007 second quarter earnings presentation. Information contained within will not be updated. The following slides should be read and considered in connection with the information given orally during the presentation.

AGENDA

- **Summary and Key Events**

  Helge Eide, President and MD, DNO ASA

- **Operational Review: International**

  Ivar Brandvold, COO, DNO ASA

- **Operational Review: NCS**

  Roar Tessem, MD, Det Norske Oljeselskap ASA

- **Financial Review**

  Haakon Sandborg, CFO, DNO ASA

- **Closing Remarks and Q&A**

Building values in Kurdistan

SECOND QUARTER 2007

SUMMARY AND KEY EVENTS

SECOND QUARTER 2007

KEY EVENTS – OPERATIONS

- Continued progressing Tawke development towards completion
  - Commenced long term testing with oil being delivered to domestic market by tanker trucking
  - Progressed remaining installations and commissioning of CPF and pipeline
- Confirmed new oil discovery at Tawke
  - Tawke # 3 confirmed oil in lower reservoir horizons and tested 9,000 bopd (aggregated from two tests)
  - Initial test results from Tawke # 8 demonstrate a gross rate of more than 17,000 bopd aggregated from four tests
  - Further testing of Tawke #8 and Tawke #5A is currently ongoing
- Adding new production from Yemen
  - Four new production wells brought on stream; Godah (3) and Nabrajah (1)
  - Re-completion of existing well at Sharyoof have increased gross production by 3,500 bopd to > 12,000 bopd
- Launched new strategy for NCS
  - Det Norske Oljeselskap ASA (NOIL) to become the largest independent Norwegian E & P company at NCS
  - Completed private placement of NOK 445 million and listed Det Norske Oljeselskap ASA at the OTC
  - Four new licenses awarded, of which three as Operator
- All approvals for Det Norske Oljeselskap ASA as NCS drilling Operator in place
  - Bredford Dolphin arrived NCS end of June to undertake final commissioning and approval work
  - The Lie prospect was spudded on 18 July

SECOND QUARTER 2007

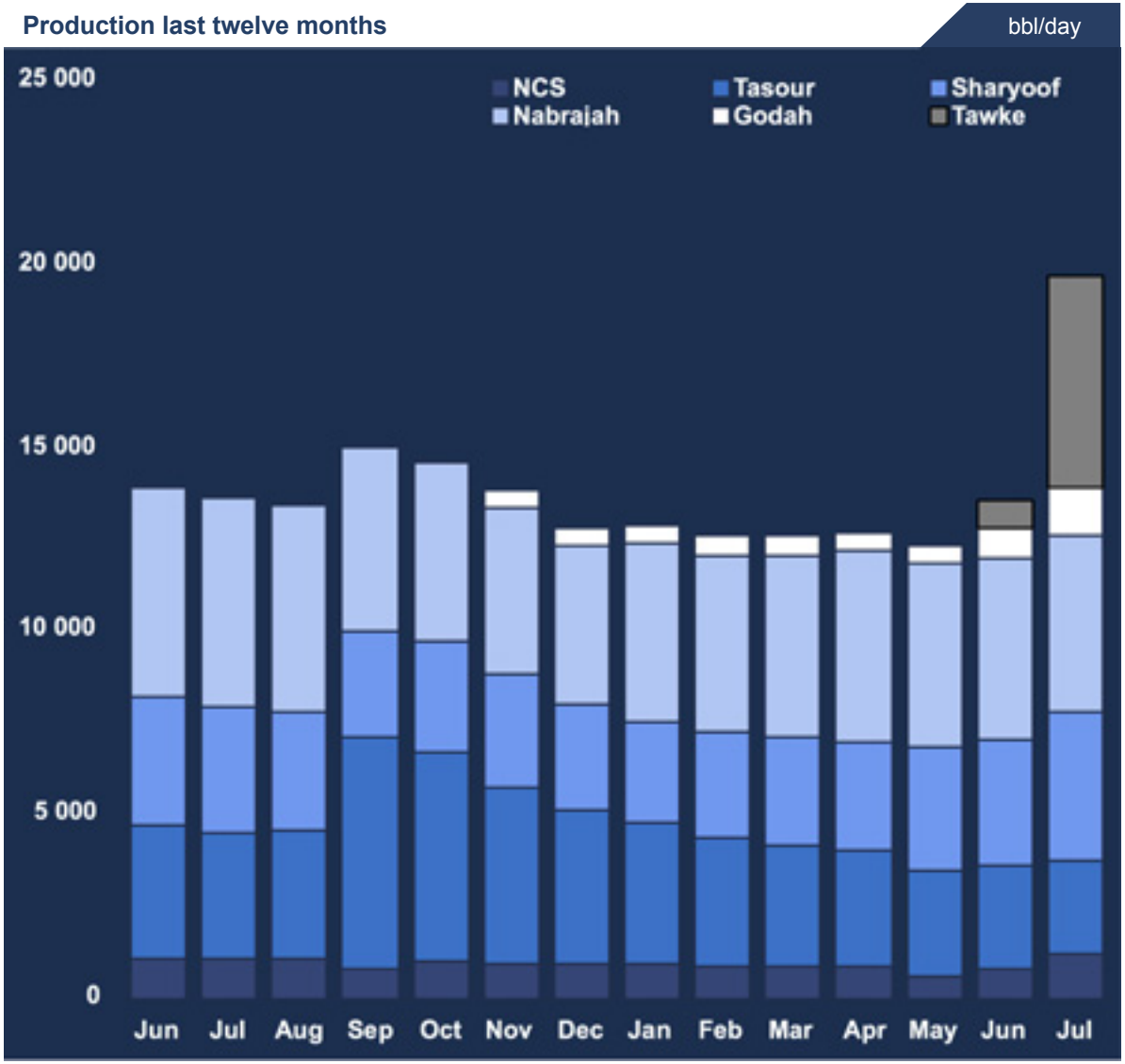
KEY FINANCIAL HIGHLIGHTS

- Stronger financial results compared to 2006
  - Profit from operations was NOK 234 mill. in second quarter and NOK 235 mill. in first six months
  - Net profit increased to NOK 123 mill. in second quarter and to NOK 142 mill. in first six months
  - Netback increased to NOK 268 mill. in second quarter and to NOK 321 mill. in first six months
- Lower exploration expenses and sale of NCS asset
  - Pre-tax exploration costs were reduced to NOK 67 million in second quarter and to NOK 225 mill. in first six months
  - Sale of PL 263 (“Zita”) at NCS contributed with NOK 98 mill. in net profit after tax in second quarter
- Development investments in line with plan
  - Development investments in the second quarter was NOK 322 mill. and the first six months NOK 610 mill.
  - The cash flow from producing assets secured a netback coverage of 57 % of total investments

SECOND QUARTER 2007

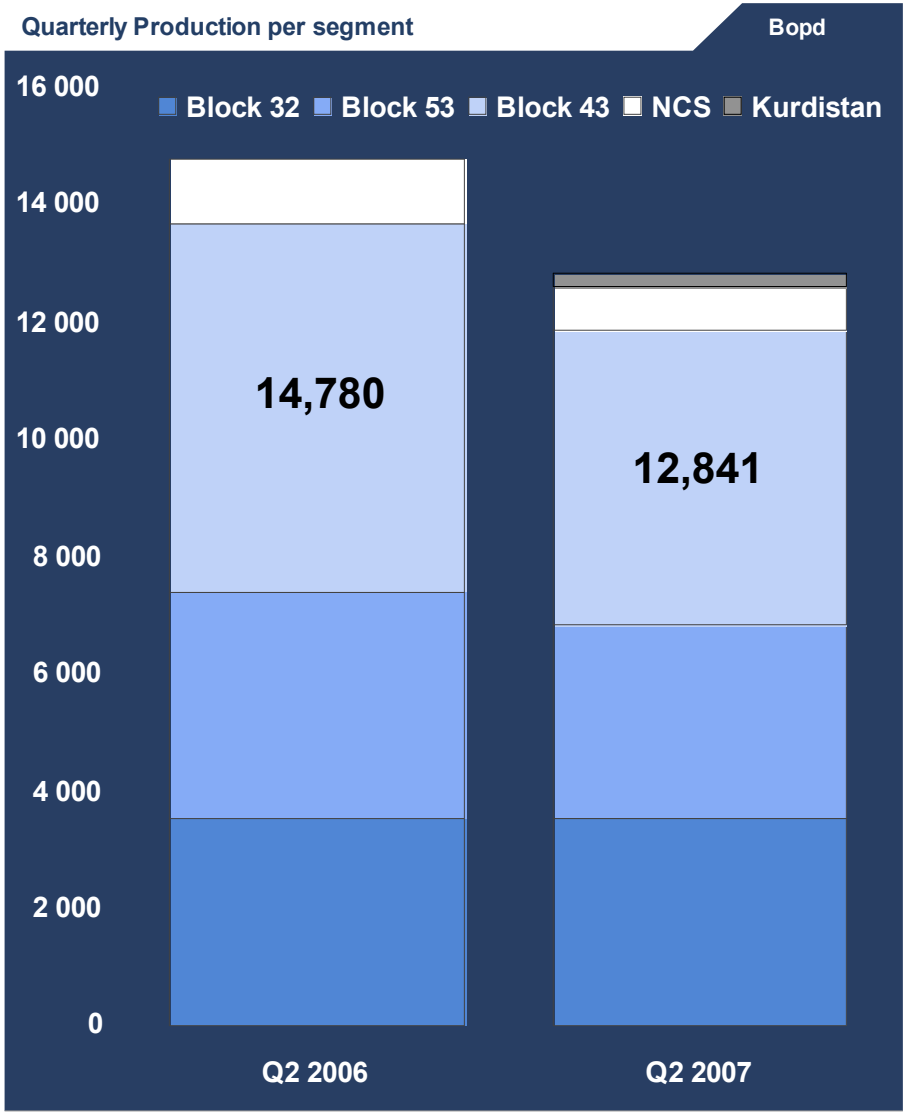
PRODUCTION

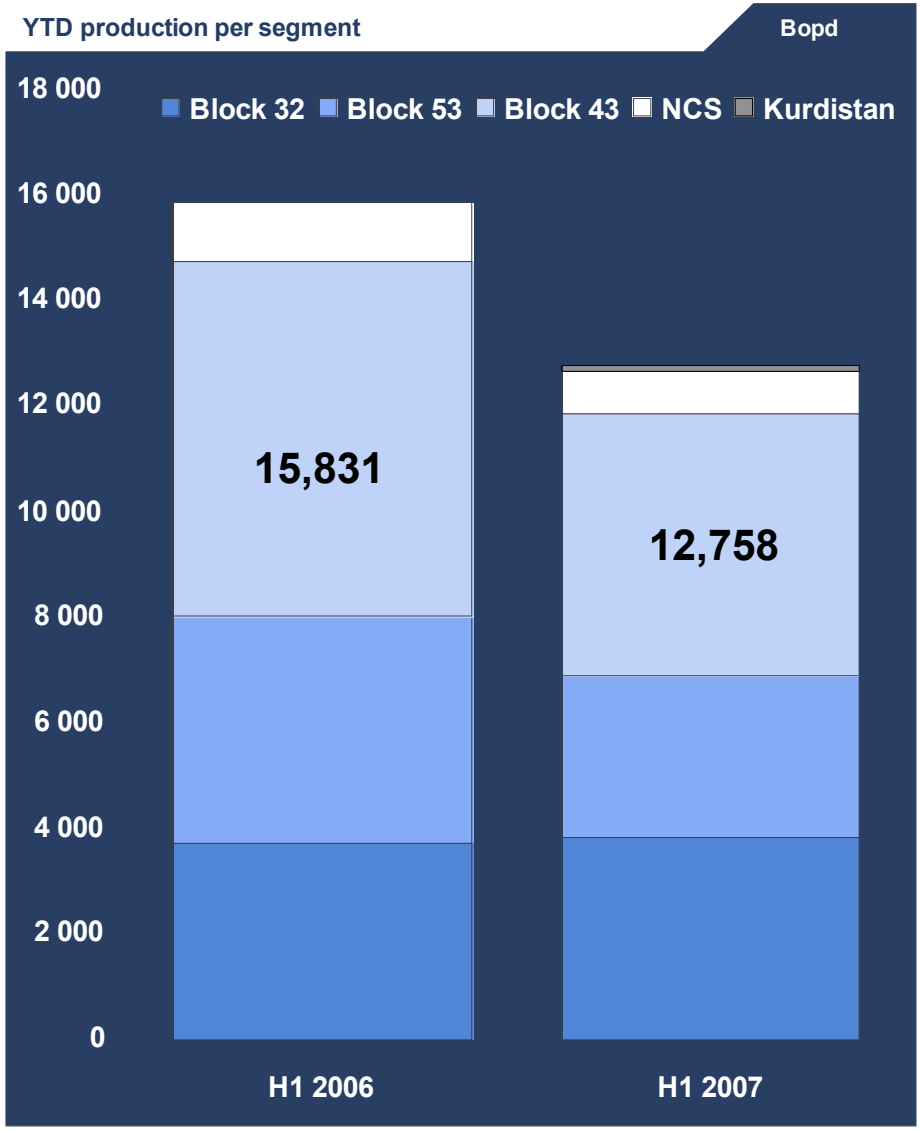
- Production last 12 months has been reasonably stable
- Increased production towards end of second quarter
- July production – 19,640 bopd
- 2007 exit production target of 26,000 bopd remains unchanged – subject to export of Tawke oil
- 2007 production guidance revised to 15-17,000 bopd



SECOND QUARTER 2007

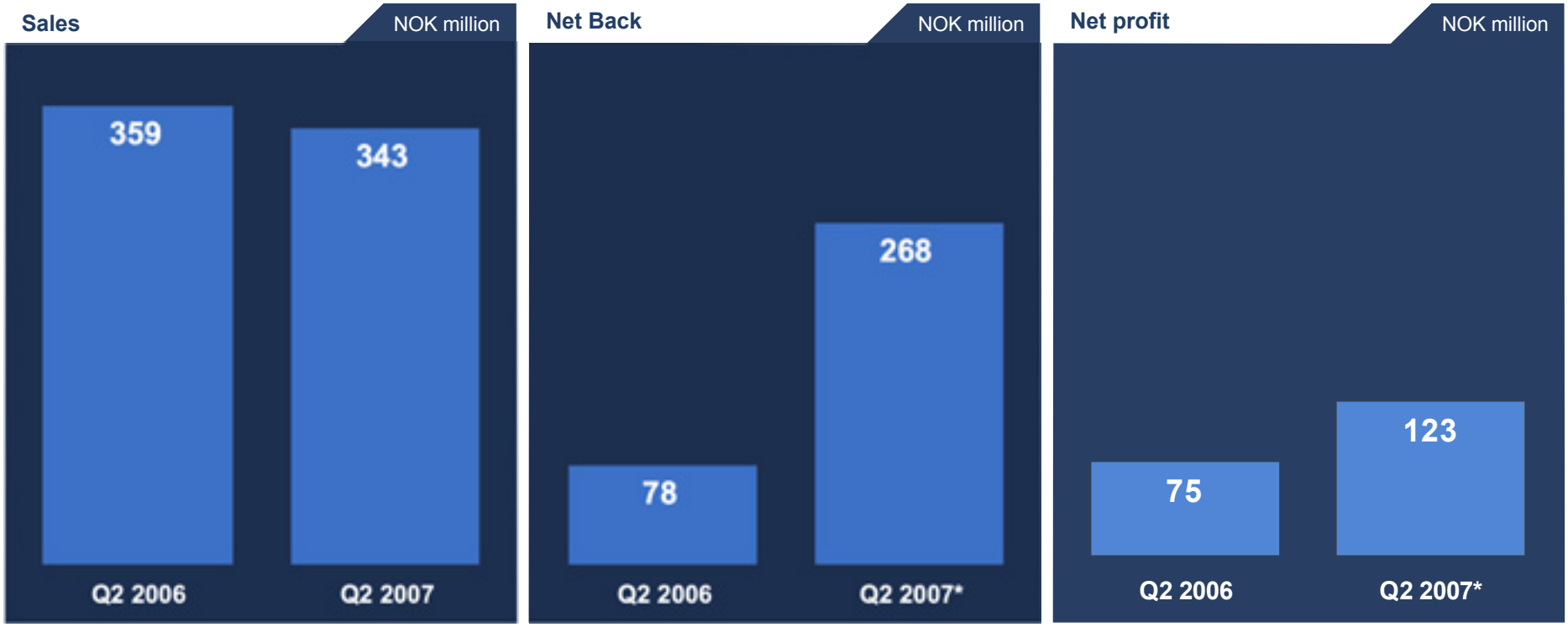
PRODUCTION: 2006 VERSUS 2007





SECOND QUARTER 207

QUARTERLY KEY FINANCIALS

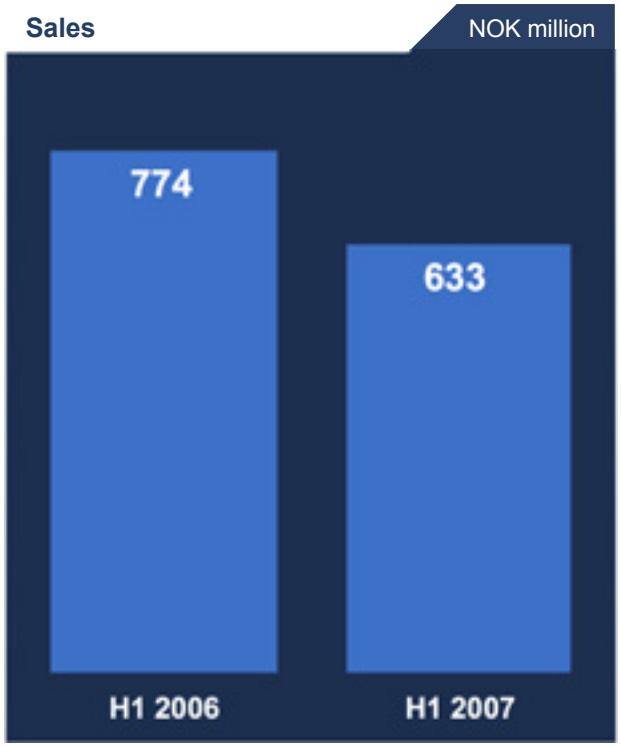


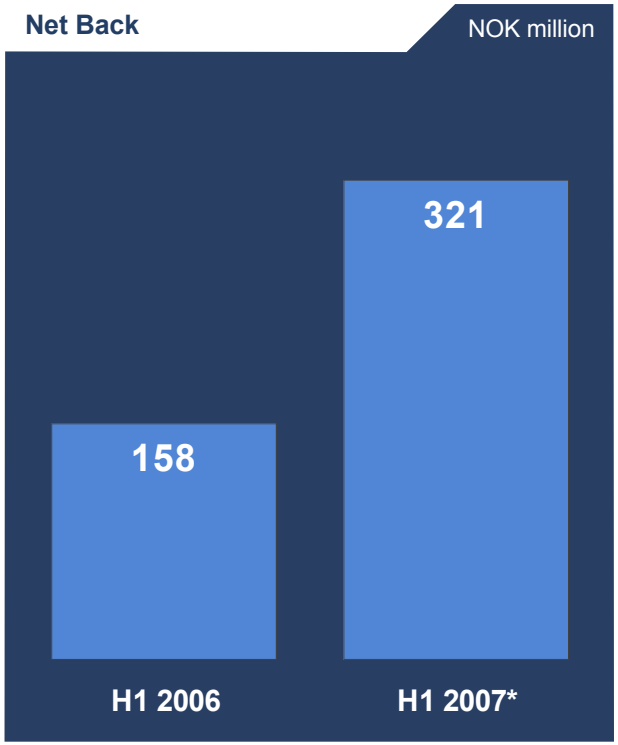
* Including asset sales proceeds

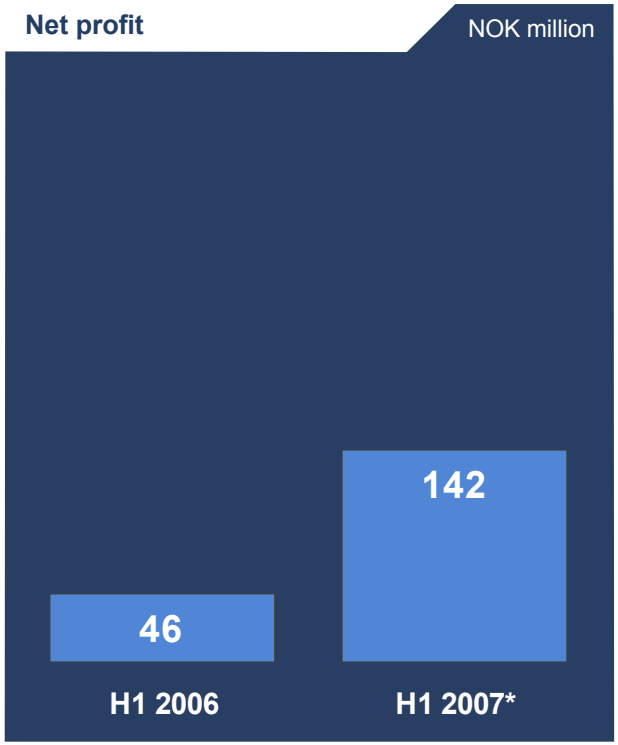
- Net profit increased by 64 % to NOK 123 million
- Pre-tax expensed exploration costs were NOK 67 million
- Sale of NCS assets contributed with NOK 98 million in net profit

SECOND QUARTER 207

YEAR TO DATE KEY FINANCIALS







* Including asset sales proceeds

- Net profit increased by 208 % to NOK 142 million
- Pre-tax expensed exploration costs were NOK 225 million

REVISED 2007 DRILLING PLAN

	Drilled	Ongoing	YEE	Plan
NCS				
▪ Exploration wells	0	2	3	8
▪ Appraisal & development wells	0	1	1	2
▪ **Subtotal NCS**	**0**	**3**	**4**	**10**
Kurdistan				
▪ Exploration wells	1	0	1	1
▪ Appraisal & development wells	2	3 *)	11 **)	18
▪ **Subtotal Kurdistan**	**3**	**3**	**12**	**19**
Yemen				
▪ Exploration wells	4	3	11	13
▪ Appraisal & development wells	9	0	12	9
▪ **Subtotal Yemen**	**13**	**3**	**23**	**22**
Total	**16**	**9**	**39**	**51**

*) Including one re-entry

**) Including two work overs and re-completions

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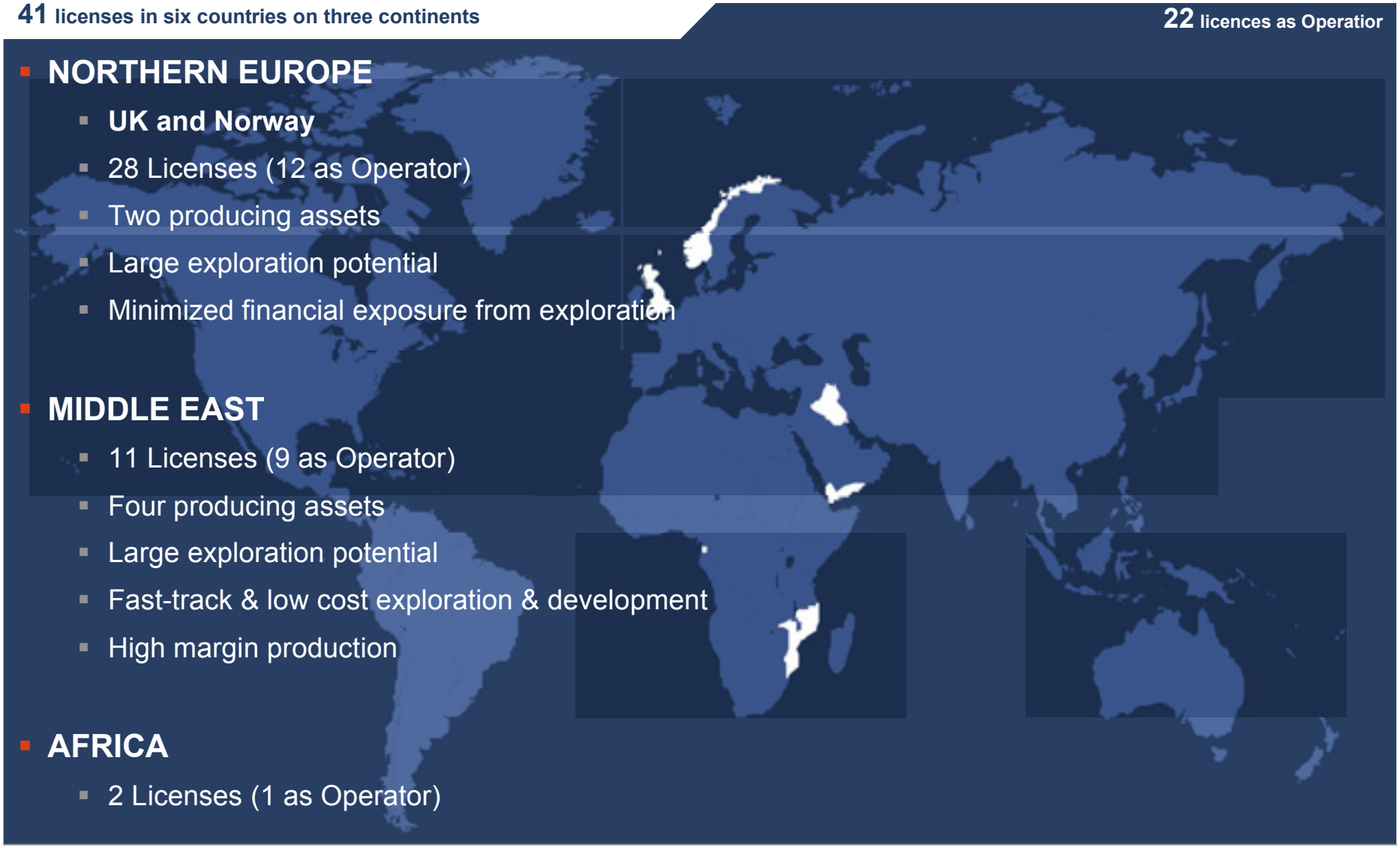
SECOND QUARTER 2007

OPERATIONAL REVIEW INTERNATIONAL

WORLD WIDE PORTFOLIO

41 licenses in six countries on three continents

22 licences as Operatior



- **NORTHERN EUROPE**
  - **UK and Norway**
  - 28 Licenses (12 as Operator)
  - Two producing assets
  - Large exploration potential
  - Minimized financial exposure from exploration
- **MIDDLE EAST**
  - 11 Licenses (9 as Operator)
  - Four producing assets
  - Large exploration potential
  - Fast-track & low cost exploration & development
  - High margin production
- **AFRICA**
  - 2 Licenses (1 as Operator)

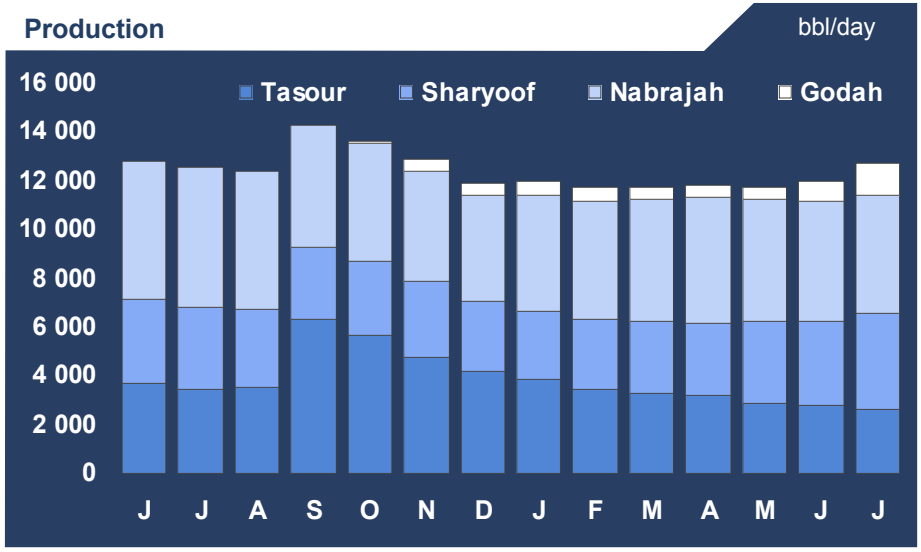
YEMEN: SUMMARY

13 exploration wells

- Operated by DNO
  - BL 32: 3 wells - 0 completed
  - BL 43: 3 wells - 1 completed
  - BL 44: 2 wells - 1 completed
  - BL 72: 2 wells - 1 completed
  - BL 47: 1 well - 0 completed
- Operated by others
  - BL 53: 2 wells - 1 completed

12 appraisal and development wells

- Operated by DNO
  - BL 32: 3 wells - 3 completed
  - BL 43: 4 wells - 3 completed
    1 in progress
- Operated by others
  - BL 53: 5 wells – 3 completed



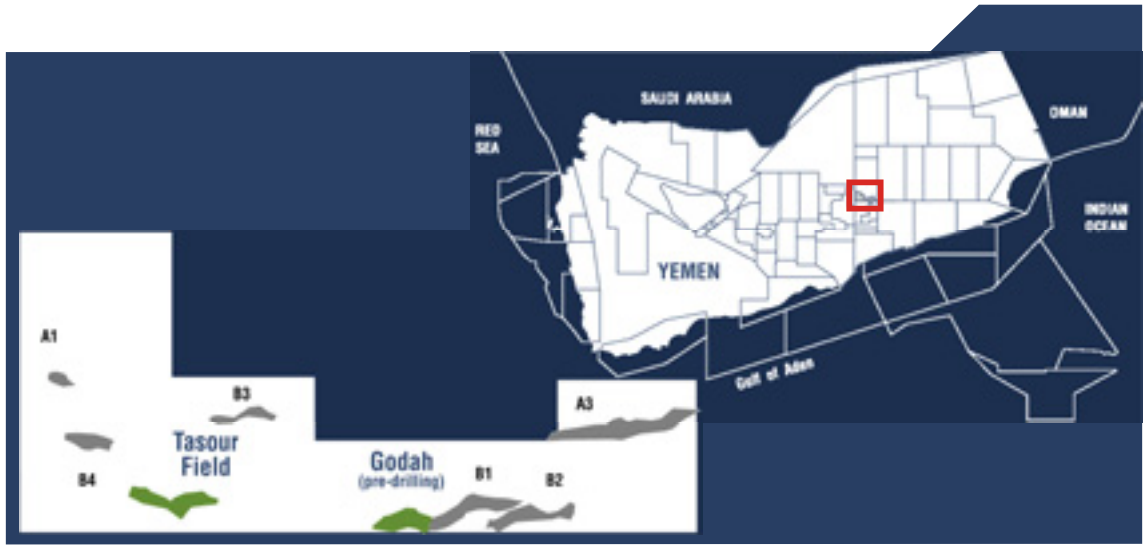
YEMEN: BLOCK 32

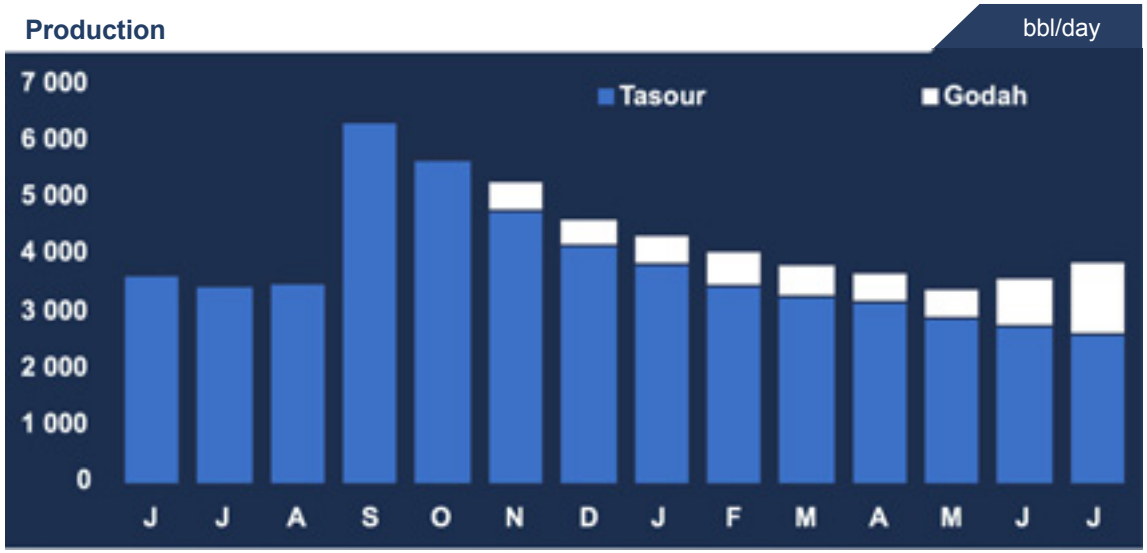
Tasour Field

- Q2 2007 gross production - 7,400 bopd
- Test of Tasour #23 (deeper levels) is put on hold
- The current gross production is 6,500 bopd

Godah Field

- Q2 2007 gross production - 1,530 bopd
- Godah #5, #6 and #7 have been drilled and put on production
- The current gross production 3,100 bopd





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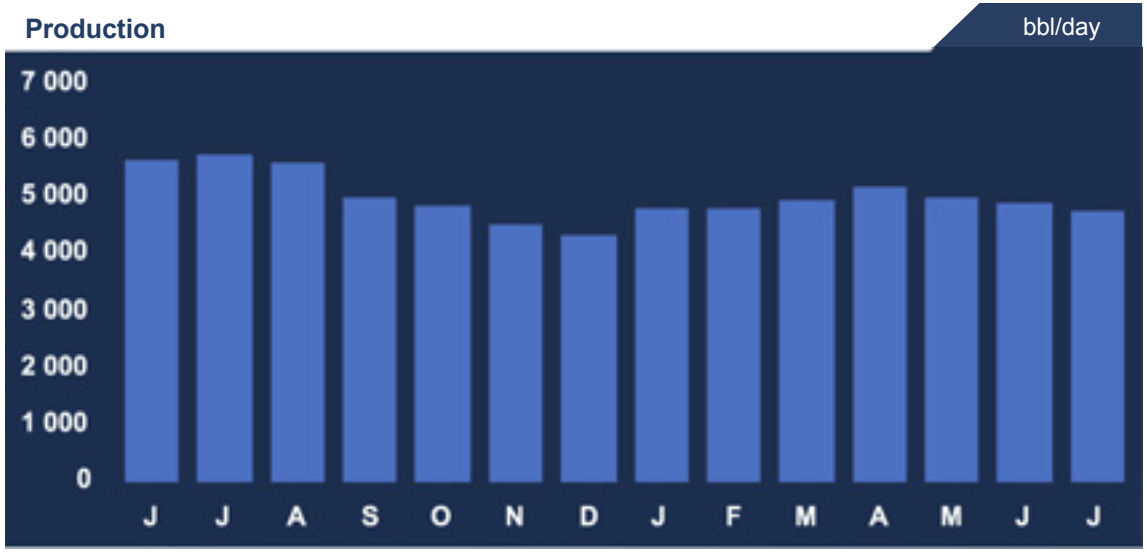
YEMEN: BLOCK 43

Nabrajah Field

- Status
  - Q2 2007 gross production - 7,800 bopd
  - Well Nabrajah #14 was drilled and put on production
  - Drilling of Nabrajah #15 started and the well will be put on production in August
  - The current gross production is 7,600 bopd

- New targets based on 3D seismic data
  - The well Nabrajah #13 proved a hydrocarbon system south of the Nabrajah field
  - An extended test-program is planned to start in August
  - Drilling of the exploration well Thoub #1 was approved with spud date in mid/late July



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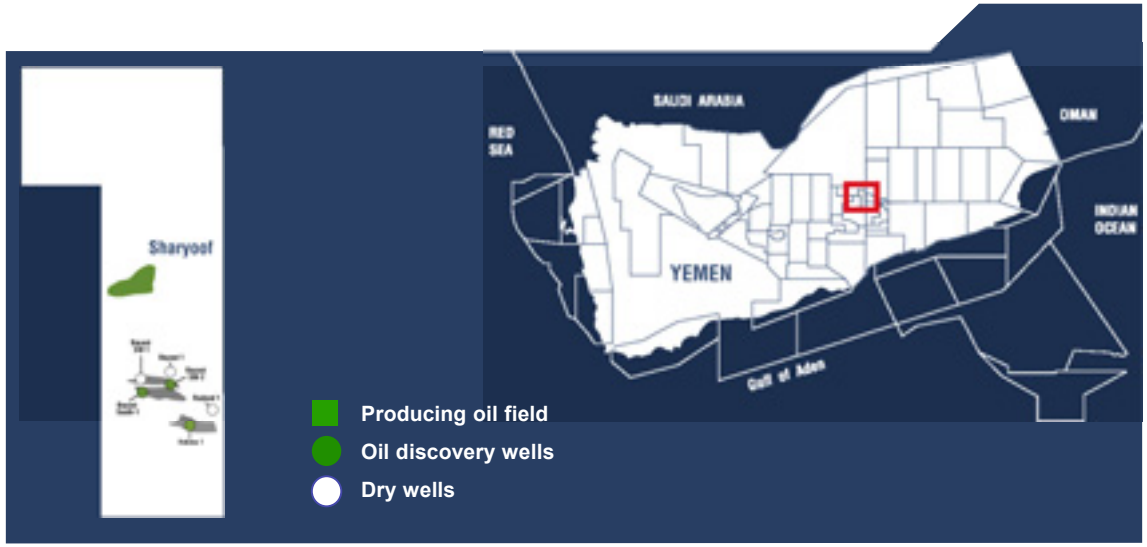
YEMEN: BLOCK 53

Sharyoof Field

- Status
  - Q2 2007 gross production was10,250 bopd, including oil from Bayoot/Hekma
  - Re-completion of Sharyoof #6 and #20 has contributed to a significant increase in production
  - The current gross production is 12,100 bopd



- Bayoot/Hekma area
  - The trucking of oil from this area contributed with 660 bopd during Q2
  - Hekma #1 has been stimulated and put back on production
  - Drilling of Bayooth SW #3 is in progress

YEMEN: SUMMARY AND OUTLOOK

Yemen Assets

YTD Summary

- New blocks; 52 and 84 both as Operator
- 4 exploration wells completed (no discoveries) - 3 currently in progress
- 9 successful infill wells completed

2007 Outlook

- Guiding remains unchanged
- 7 additional exploration wells planned
- 3 additional development wells

OPERATIONAL REVIEW

KURDISTAN: SUMMARY

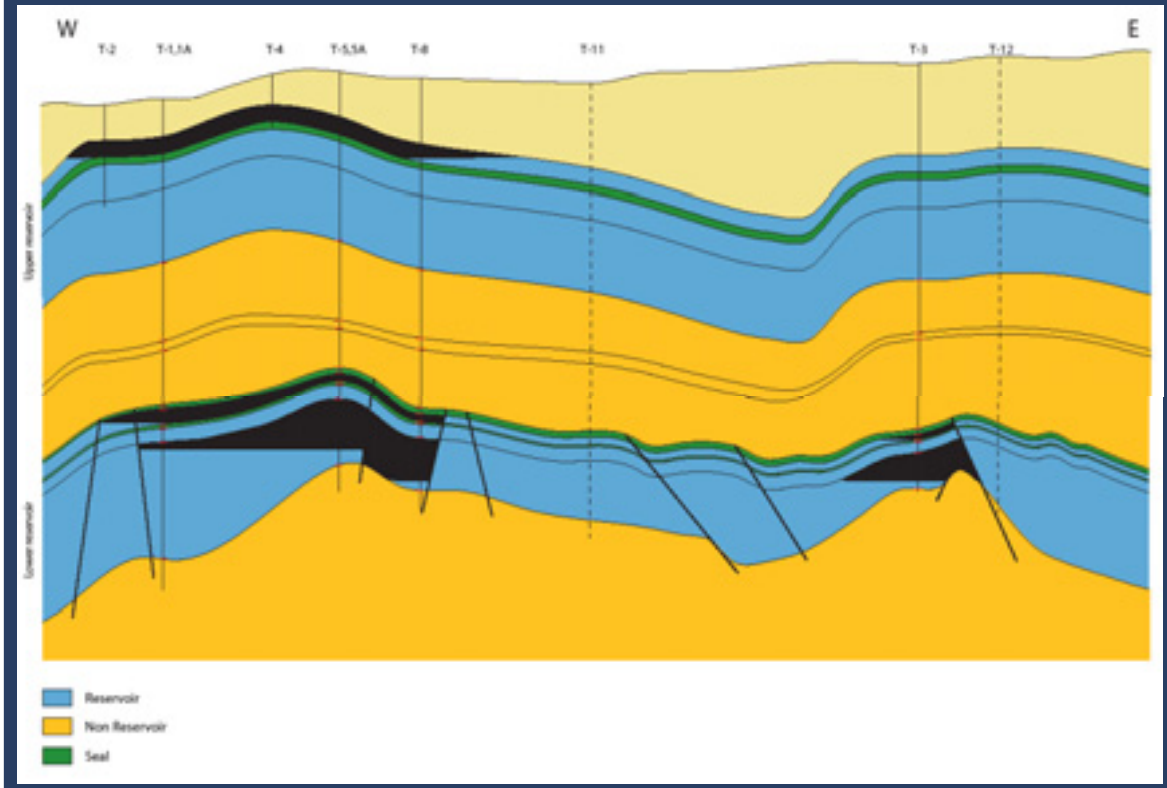
- Commissioning activities undertaken at the Tawke installations
- Installed trucking facilities with max capacity of 35 000 bopd
- Extended test production from the upper reservoir started June 17th, delivering to the local market
- Started preparing the third rig (carrier rig) for operations
- Additional oil confirmed by Tawke #8 well in the lower reservoir
- Three rig operations ongoing at present aimed at appraising the lower reservoir

KURDISTAN: TAWKE RESERVOIR UPDATE

- Upper reservoir
  - Test production commenced late June – delivering 6,100 bopd in July
  - Reservoir management strategy being prepared
- Lower reservoir
  - Tawke #1 has been re-entered using the carrier rig. The well will be re-tested including acid stimulation
  - Tawke #5A has been drilled to TD, confirming oil in the central area. An extensive test program is ongoing
  - Tawke # 8 has confirmed oil in the central/down-flank position. An extensive test program is ongoing

    An aggregated test rate of > 17,000 bopd was achieved from 4 tested intervals – with a max test rate of 8,000 bopd from the most productive test interval

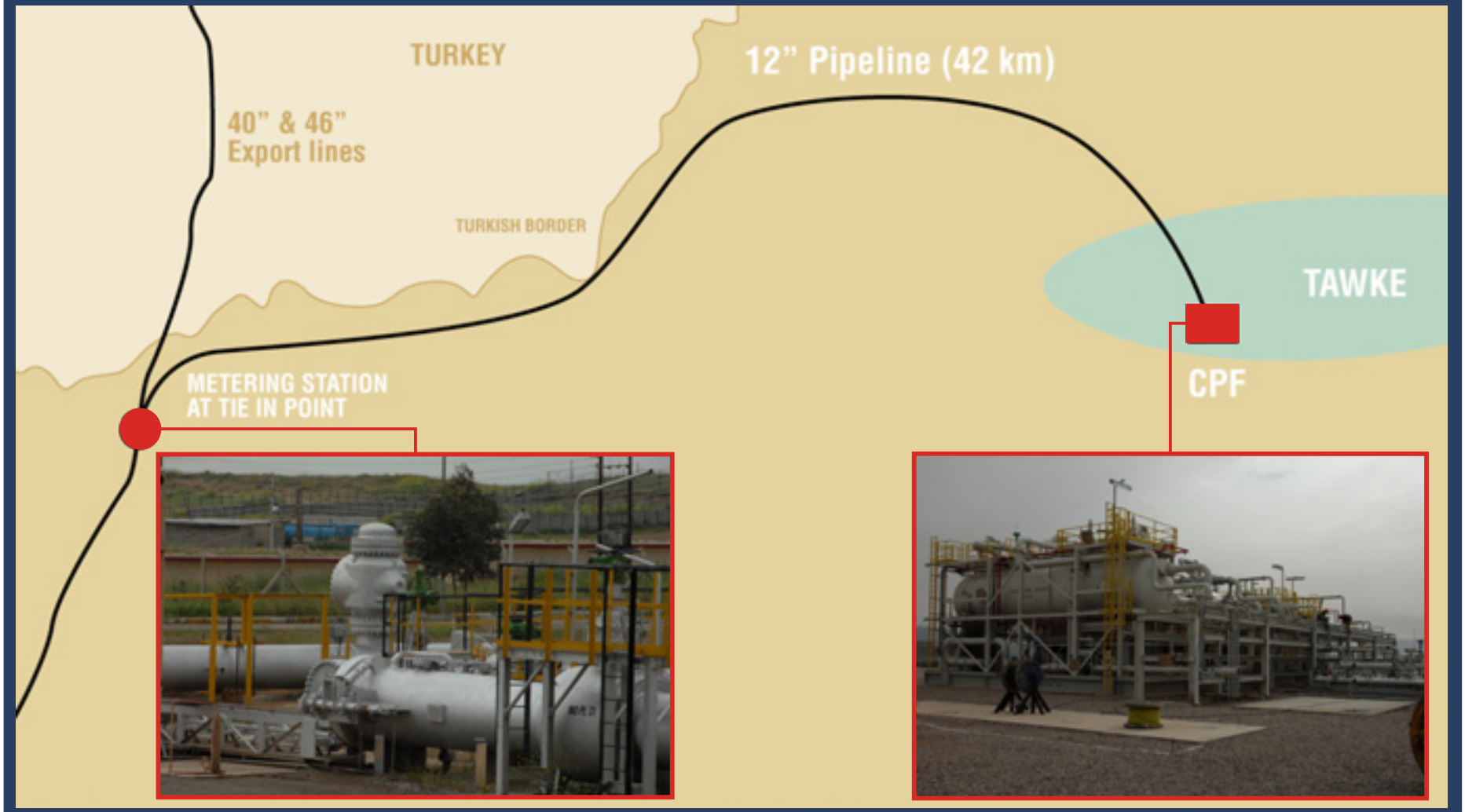
Schematic West - East profile over the Tawke structure



For illustration purposes only

KURDISTAN: TAWKE DEVELOPMENT

Key Components



KURDISTAN: TAWKE DEV. PROJECTS

- Status
  - Continued construction, hook-up and commissioning of central production facilities, pipeline and metering station
  - Loading arms have been installed with a max capacity of 35 000 bopd
- Revised Milestones
  - September: CPF ready for export
  - November: Continuous export via Iraq/Turkey pipelines (subject approvals)
  - January 2008: Contingent batch export via Iraq/Turkey pipelines (subject approvals)

KURDISTAN: KEY EVENTS

Historic Key Events

- PSA signed — Jun 2004
- Interim Government — Jul 2004
- Iraq Constitution Agreed — Aug 2005
- Election to approve Constitution — Dec 2005
- New Iraqi Government, post Const. — Apr 2006
- Kurdistan Petroleum law — Aug 2007

  (Ratified by Kurdistan Parliament)

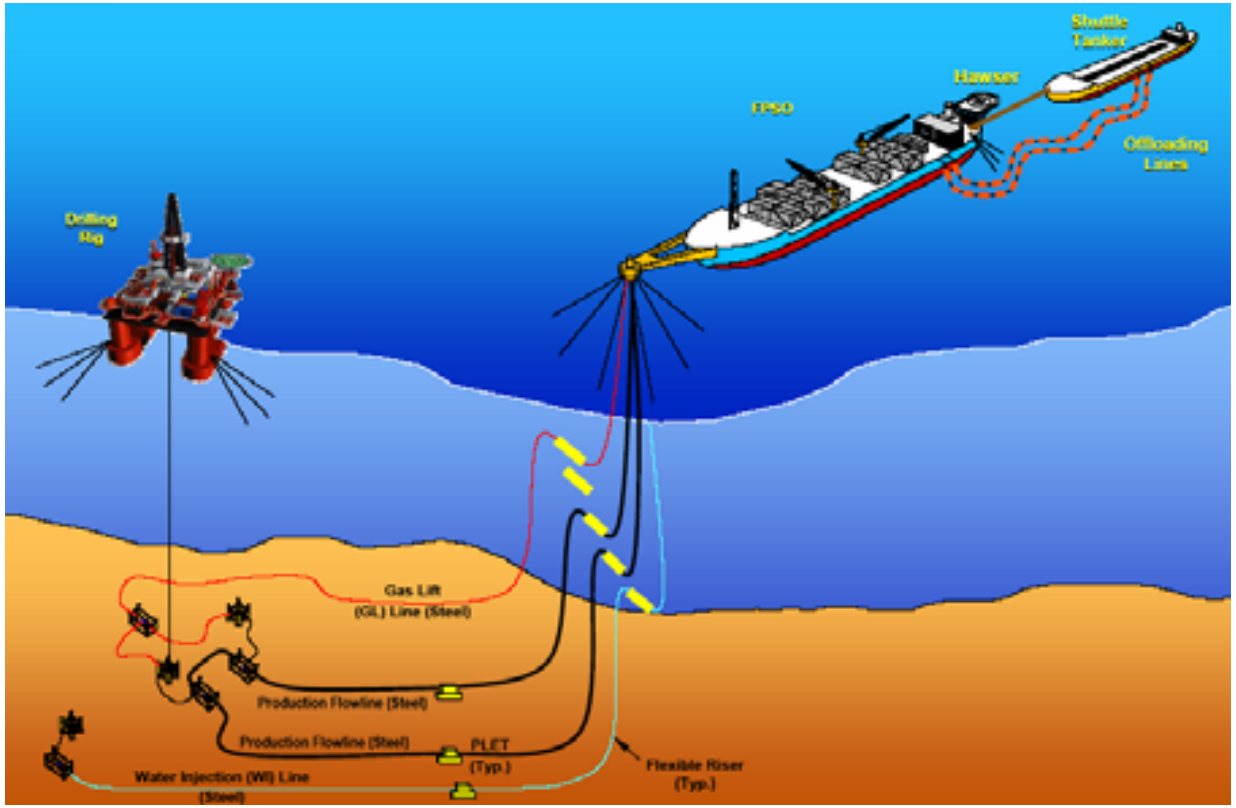
Current Outlook

- Federal petroleum law expected — Sep 2007
- First export of oil from Tawke — Nov 2007

  (Subject approval in October)

AFRICA: EQUATORIAL GUINEA

- Equatorial Guinea – Block P
  - Plan of development submitted 12 August 2007
  - First DNO offshore development project in Africa
  - Gross P50 resources is 33 Mbbl
  - DNO share is 6.25 %



AFRICA: MOZAMBIQUE

- Mozambique
  - Third exploration period extended to end of 2008
  - 2D seismic program starting August
  - Exploration well planned to be drilled in 2008

Mozambique

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DNO
The group’s focus is creating values through transforming resources to reserves at low cost. The extensive exploration drilling program during the short to medium term forms a strong basis for succeeding in achieving this important goal both in all geographical areas.

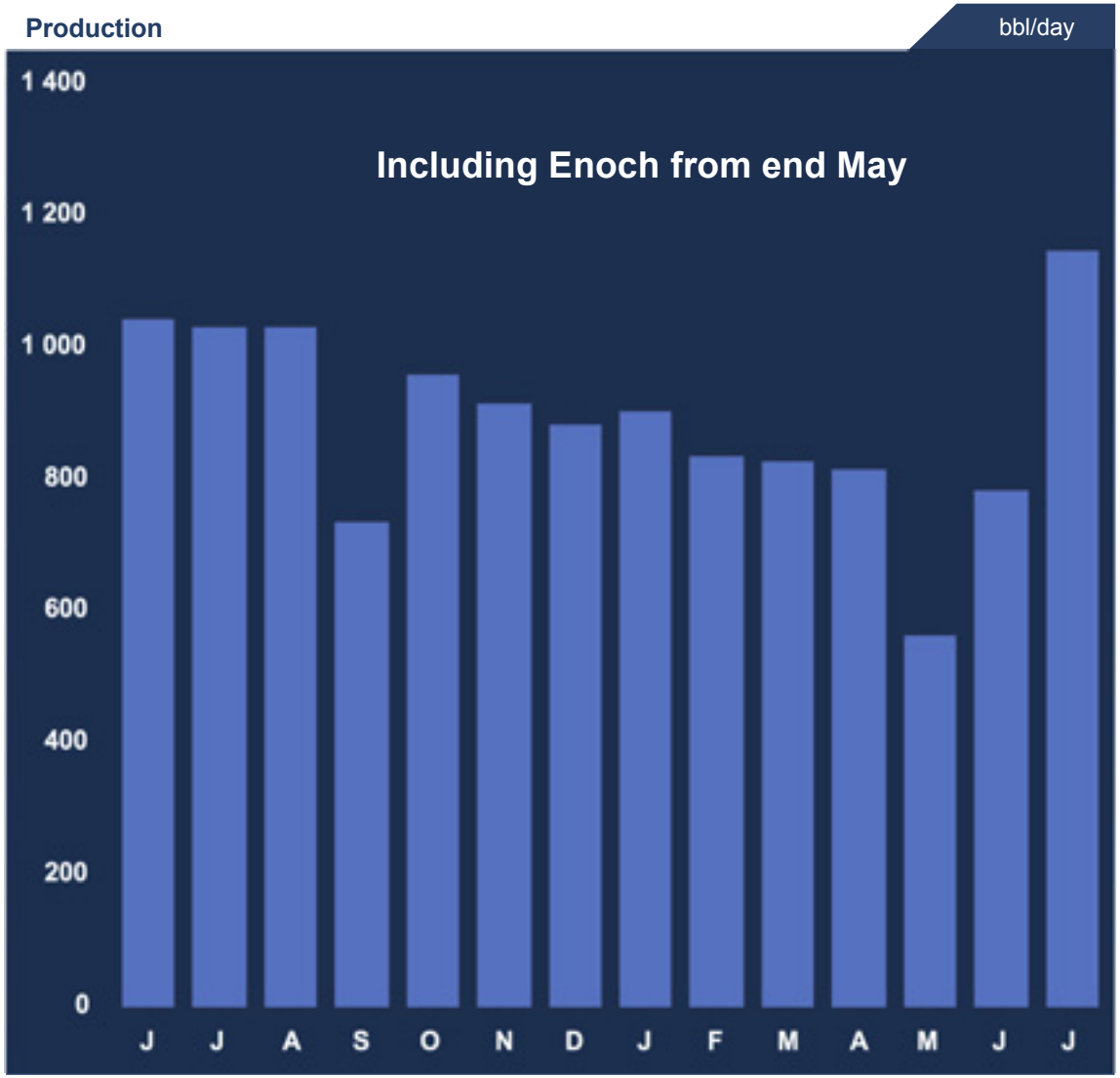
SECOND QUARTER 2007

DET NORSKE OLJESELSKAP ASA

OUR MISSION IS TO **BUILD THE LARGEST INDEPENDENT NORWEGIAN EXPLORATION AND PRODUCTION COMPANY** FOCUSED ON **TRANSFORMING POSSIBLE RESOURCES TO RESERVES AT LOW COST**, GENERATING SUBSTANTIAL AND CONSISTENT RETURNS TO OUR SHAREHOLDERS

COMPANY INFORMATION

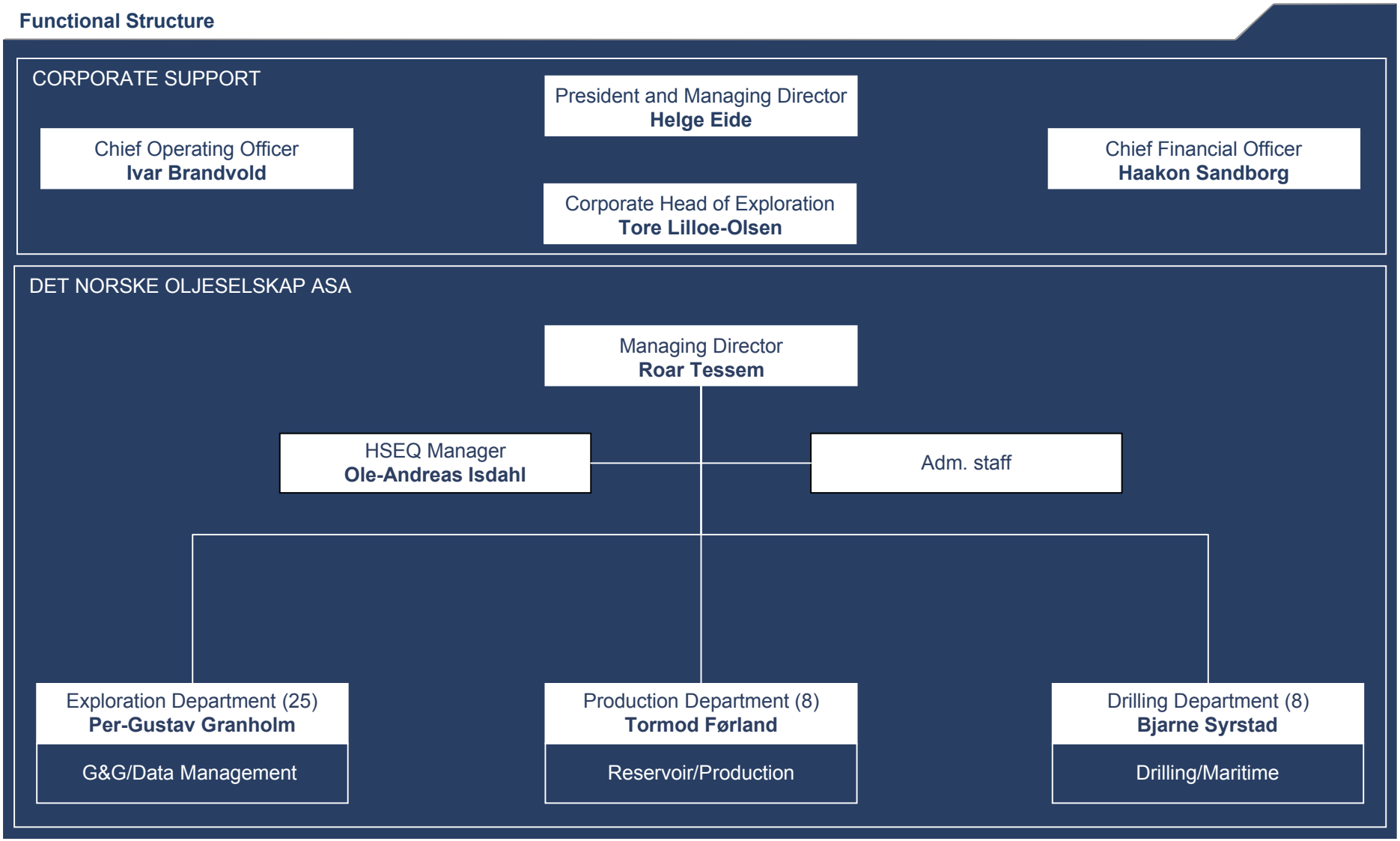
- Private placement – ownership
  - Private placement of NOK 445.5 mill in June 2007
  - Subsequent offering of NOK 18.1 million gross – close 17 August
  - DNO ASA retains 83.7%
  - Listed on OTC – ticker “NOIL”



DET NORSKE OLJESELSKAP ASA

ORGANISATION

Functional Structure



DET NORSKE OLJESELSKAP ASA

NCS PORTFOLIO

- Exploration licenses
  - NCS - 26 licenses, 11 as Operator
- Producing fields
  - Glitne, in production (10%)
  - Enoch, start production Q2 2007 (2 %)
- Drilling Plan next 18 months
  - 7 firm exploration wells
  - 5 unconfirmed exploration wells
  - 1 development well
- Det Norske Oljeselskap ASA as NCS Operator
  - Planning for operating 3 wells in 2007
  - Full carry of the wells through farm-out agreement

DET NORSKE OLJESELSKAP ASA

NCS: TWO EXPLORATION WELLS

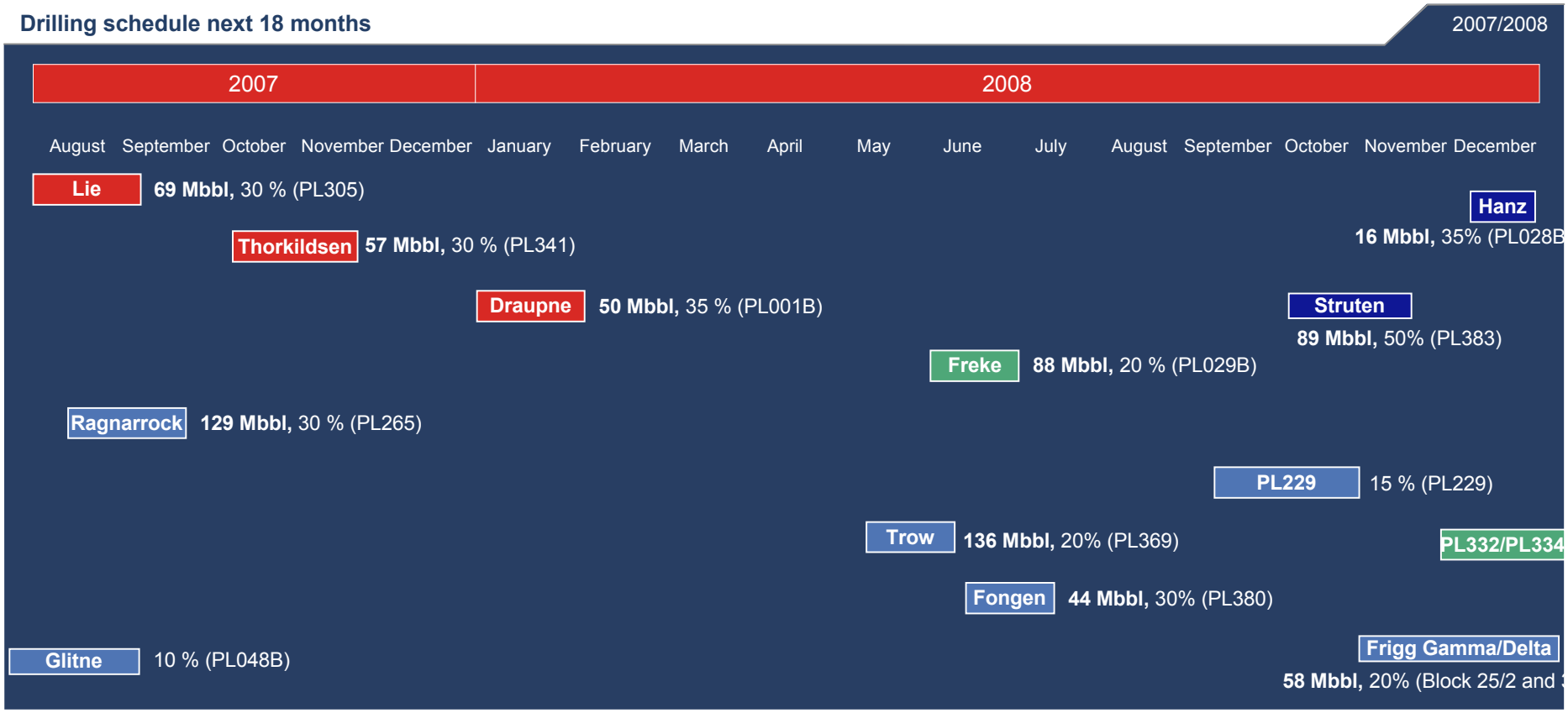
- The Lie Prospect, well 24/9-8
  - Spud 18 July, in operation
  - First well on NCS with Det Norske Oljeselskap ASA as operator
  - First well in the drilling schedule with Bredford Dolphin
- The Ragnarrock Prospect, well 16/2-3
  - Spud 1 August, in operation with jack-up rig West Epsilon
  - An appraisal well to be drilled contingent on result of first well

Lie and Ragnarrock prospects

DET NORSKE OLJESELSKAP ASA

DRILLING SCHEDULE 2007 & 2008

Drilling schedule next 18 months



- Total estimated resource potential 2007-2008 net to Det Norske Oljeselskap
  - Unrisked range : 200-250 Mbbl

DET NORSKE OLJESELSKAP ASA

FINANCIAL REVIEW

DET NORSKE OLJESELSKAP ASA

INCOME STATEMENT

NOK Million	Quarterly figures		Year to date	
	Q2 07	Q2 06	2007	2006
Sale of petroleum products	26,0	40,9	53,3	77,9
Other operating revenues	15,2	12,2	29,5	24,6
Total sales	**41,2**	**53,1**	**82,8**	**102,6**
Cost of goods sold	-17,0	-16,6	-34,1	-32,7
Tariff and transportation	-0,1	-0,2	-0,2	-0,3
Administrative expenses	-5,3	-10,8	-17,3	-18,3
Dry well costs	0,8	0,5	-50,0	-52,3
Seismic and other exploration costs expensed	-57,7	-35,0	-101,7	-60,8
Other operating expenses	-1,9	-0,5	-2,9	-0,7
Net gain / loss from sale of oil and gas properties	97,6	-0,3	97,6	-0,1
Profit / (loss) from operating activities	**57,6**	**-9,7**	**-25,8**	**-62,6**
Net finance	-18,5	-27,0	-39,3	-50,4
Profit / (loss) before income tax	**39,1**	**-36,8**	**-65,1**	**-113,1**
Income tax expense	21,8	29,2	102,7	87,7
Net profit (loss)	**60,9**	**-7,6**	**37,6**	**-25,3**

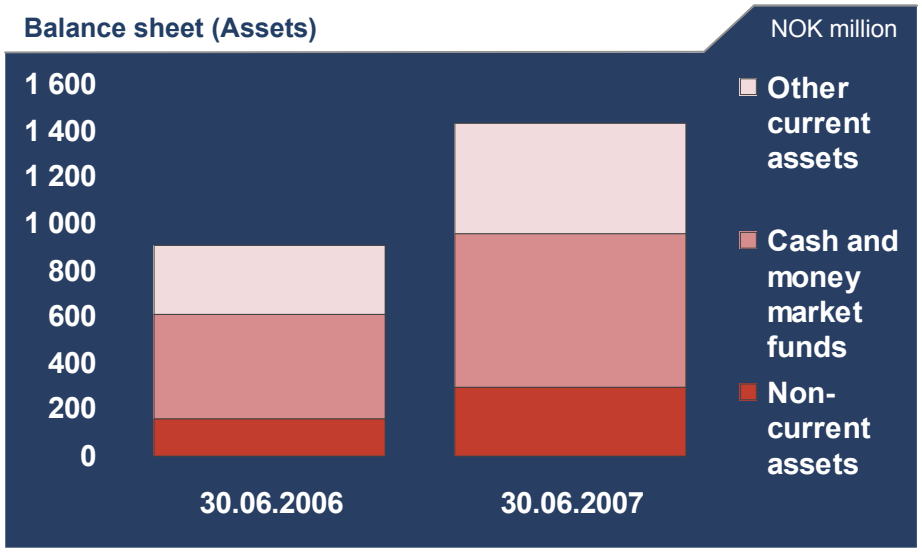
DET NORSKE OLJESELSKAP ASA

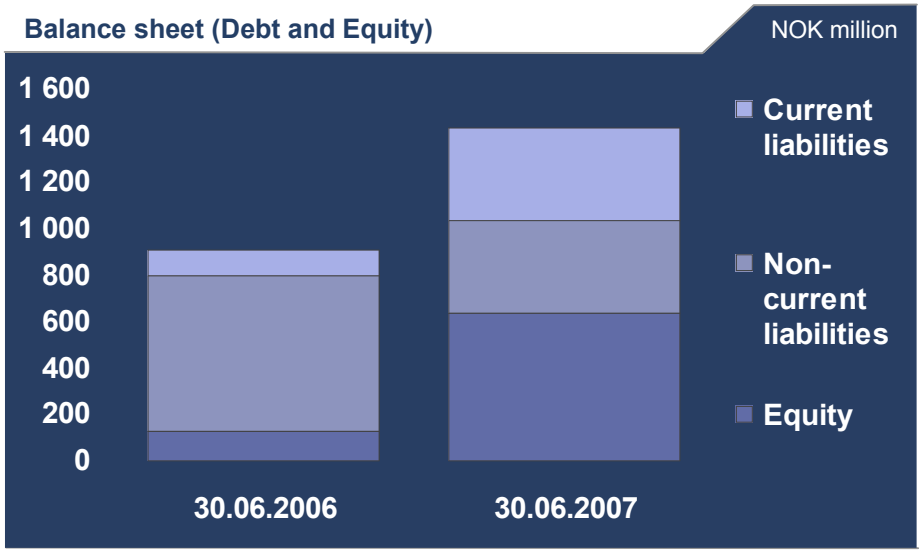
CASH FLOW STATEMENT

NOK Million	Quarterly figures		Year to date	
	Q2 07	Q2 06	2007	2006
Profit from operations before exploration	114,5	24,8	125,9	50,5
Exploration expenses	(56,9)	(34,5)	(151,7)	(113,1)
Taxes paid, DD&A and other	(12,5)	(23,3)	(31,1)	(43,3)
Net gain from sales of PP&E	(97,6)	-	(97,6)	-
Changes in working capital and other current assets / liabilities	(12,1)	(19,3)	(43,4)	(24,2)
Net cash from operating activities	**(64,5)**	**(52,4)**	**(197,9)**	**(130,1)**
Net cash used in investing activities	**65,8**	**67,4**	**49,1**	**58,5**
Net cash from financing activities	**330,8**	**0,9**	**636,7**	**(89,8)**
Net increase/decrease in cash	**332,1**	**15,8**	**487,9**	**(161,4)**
Cash at beginning of period	333,8	433,5	178,0	610,8
Cash at end of period	**665,9**	**449,4**	**665,9**	**449,4**

DET NORSKE OLJESELSKAP ASA

CAPITAL STRUCTURE





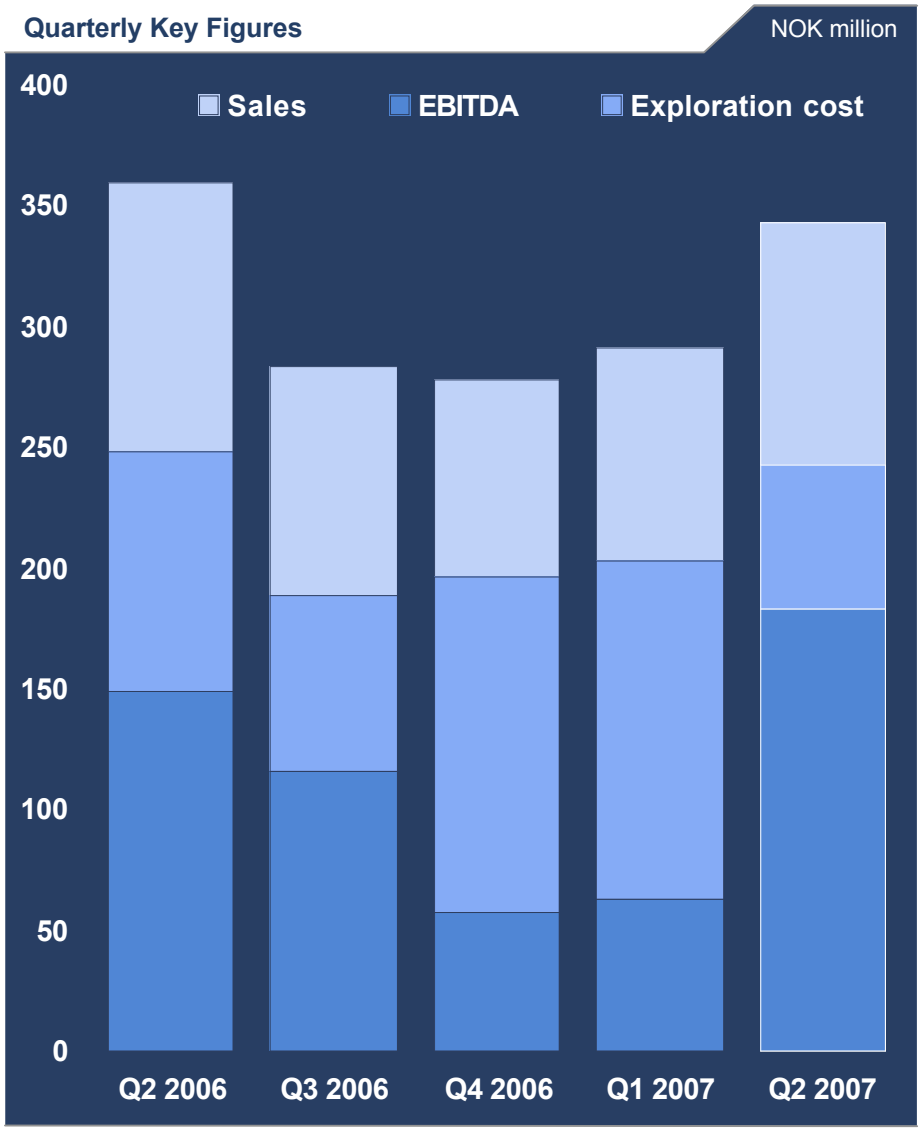
Strong Balance Sheet

- Private placement
  - Total gross proceeds from the transaction are NOK 445,5 million
- Subsequent Offering
  - Equal opportunities to all DNO shareholders
  - Total gross proceeds from the transaction is NOK 18.1 million
- DNO ASA will retain 83.7% ownership following the placement and the subsequent offering

DNO ASA: SECOND QUARTER 2007

FINANCIAL REVIEW

SUMMARY



Solid Second Quarter 2007:

Profit Growth:

- Increased revenues
  - Stable production (net entitlement)
  - Higher oil price
- Profit on NCS license sale to BayernGas
- Lower expensed exploration

Growth Investments:

- Investment program continued as planned in all business units

New Equity for NCS Growth:

- Completed NOK 445 million private placement

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FINANCIAL REVIEW

KEY FIGURES

	Quarterly figures			Year to date	
Barrels of oil and oil equivalents	Q2 2007	Q1 2007	Q2 2006	2007	2006
Working interest production per day	12 576	12 685	14 780	12 630	15 831
Net entitlement production per day	9 511	9 507	9 473	9 509	10 459

NOK Million	Q2 2007	Q1 2007	Q2 2006	2007	2006
EBITDA	206,0	70,1	167,6	276,0	275,4
Netback	267,6	52,8	78,4	320,5	157,6
Acquisition and development cost	322,3	287,9	174,8	610,2	324,3
Exploration cost expensed	67,3	158,0	110,8	225,2	327,6

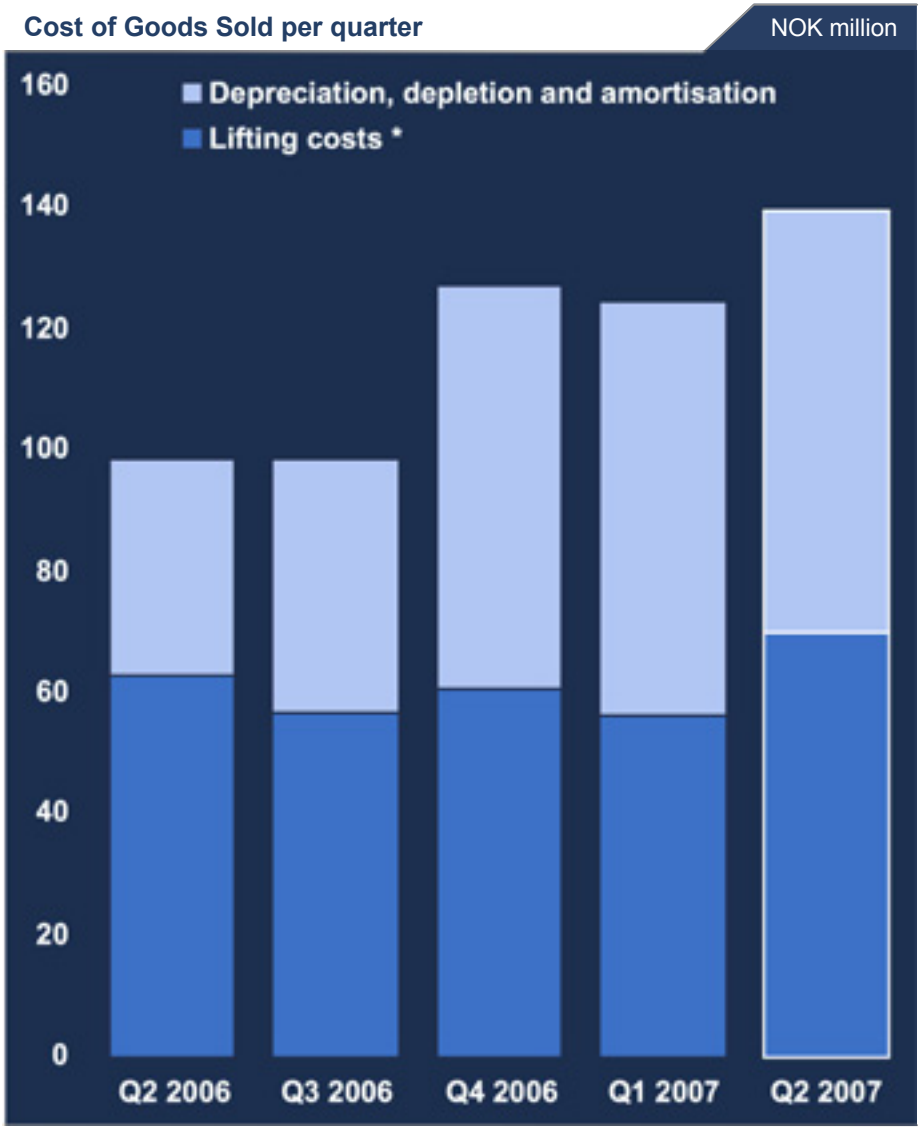
USD/boe	Q2 2007	Q1 2007	Q2 2006	2007	2006
Achieved sales price (net of hedging)	68,6	55,4	69,0	61,9	64,3
Lifting cost	10,4	7,9	7,6	9,2	7,7
DD&A	10,4	9,6	4,3	10,0	4,2
EBITDA	41,3	13,4	32,2	27,0	22,9

FINANCIAL REVIEW

INCOME STATEMENT

NOK Million	Quarterly figures					Year to date	
	Q2 07	Q1 07	Q4 06	Q3 06	Q2 06	2007	2006
Sales	342,6	290,6	277,5	283,7	359,0	633,2	774,0
Cost of goods sold	-139,5	-124,2	-127,1	-98,3	-98,3	-263,7	-220,3
Gross profit	**203,1**	**166,4**	**150,4**	**185,4**	**260,6**	**369,5**	**553,8**
Tariffs and transportation	-9,9	-9,7	-11,1	-10,9	-12,5	-19,7	-25,1
Administrative expense	7,2	0,6	8,6	-6,1	-6,9	7,8	-9,9
Dry well cost expensed	1,3	-98,2	-88,4	-10,6	-16,0	-96,8	-277,5
Seismic and other exploration expensed	-68,6	-59,8	-67,3	-71,8	-94,8	-128,5	-50,1
Other	100,5	2,4	6,2	2,2	1,2	102,9	5,6
Profit / (loss) from operating activities	**233,7**	**1,7**	**-1,6**	**88,2**	**131,5**	**235,3**	**196,8**
Net finance	-45,9	-34,3	-27,2	-6,0	-19,1	-80,2	-85,6
Profit / (loss) before income tax	**187,8**	**-32,7**	**-28,9**	**82,2**	**112,5**	**155,1**	**111,1**
Income tax expense	-65,3	51,7	-2,4	-35,7	-37,4	-13,6	-65,2
Net profit / (loss)	**122,5**	**19,0**	**-31,3**	**46,4**	**75,0**	**141,5**	**45,9**

COST OF GOODS SOLD



Increased Lifting Costs in Q2:

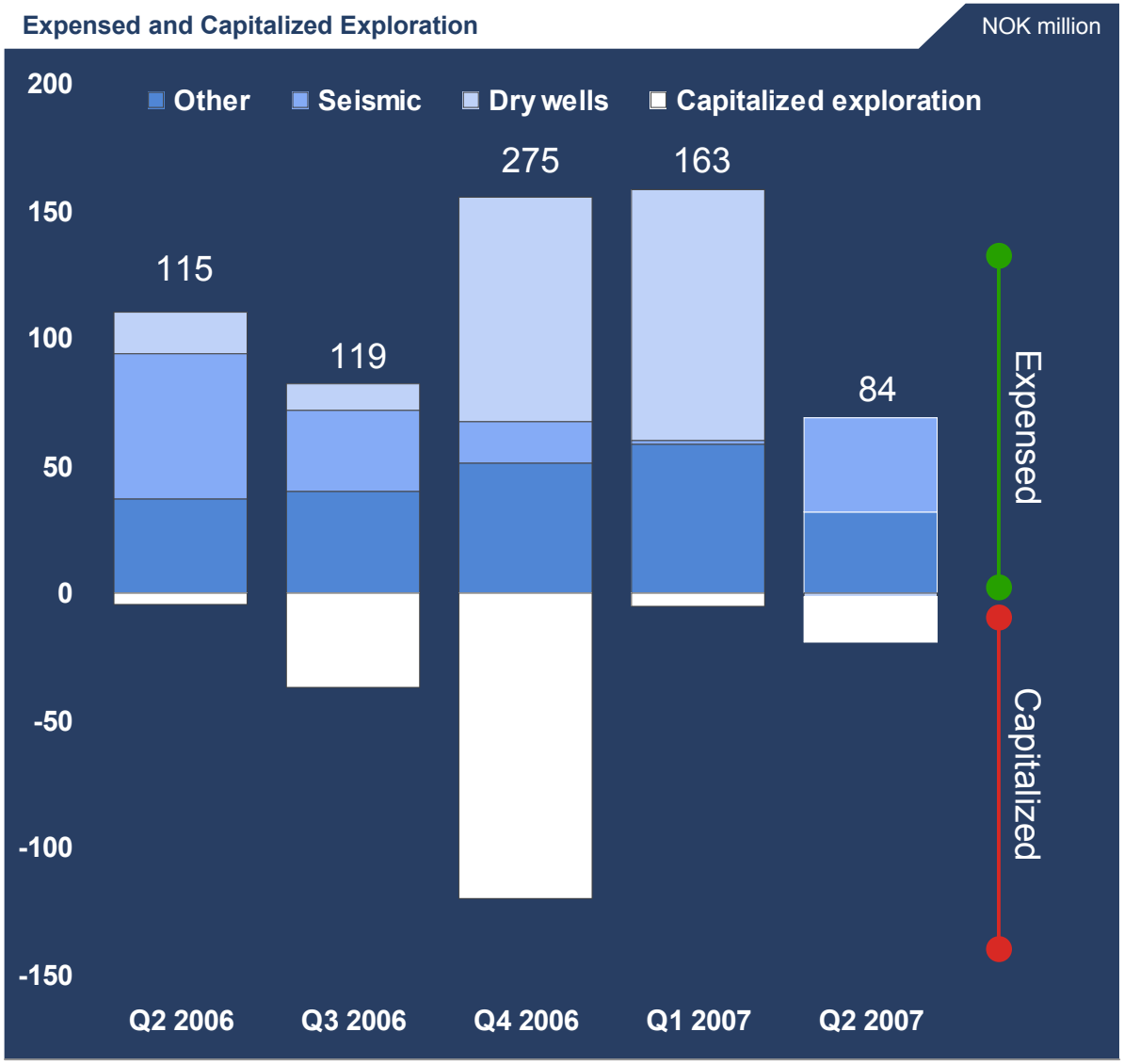
- Workover on the Sharyoof field

Higher DD&A:

- Increased investments on the Glitne field
- Start-up on the Enoch field

* Lifting costs consist of expenses relating to the production of oil and gas, including operation and maintenance of installations, well intervention and workover activities, insurances, CO2 taxes, royalties to the state and costs in own organisation.

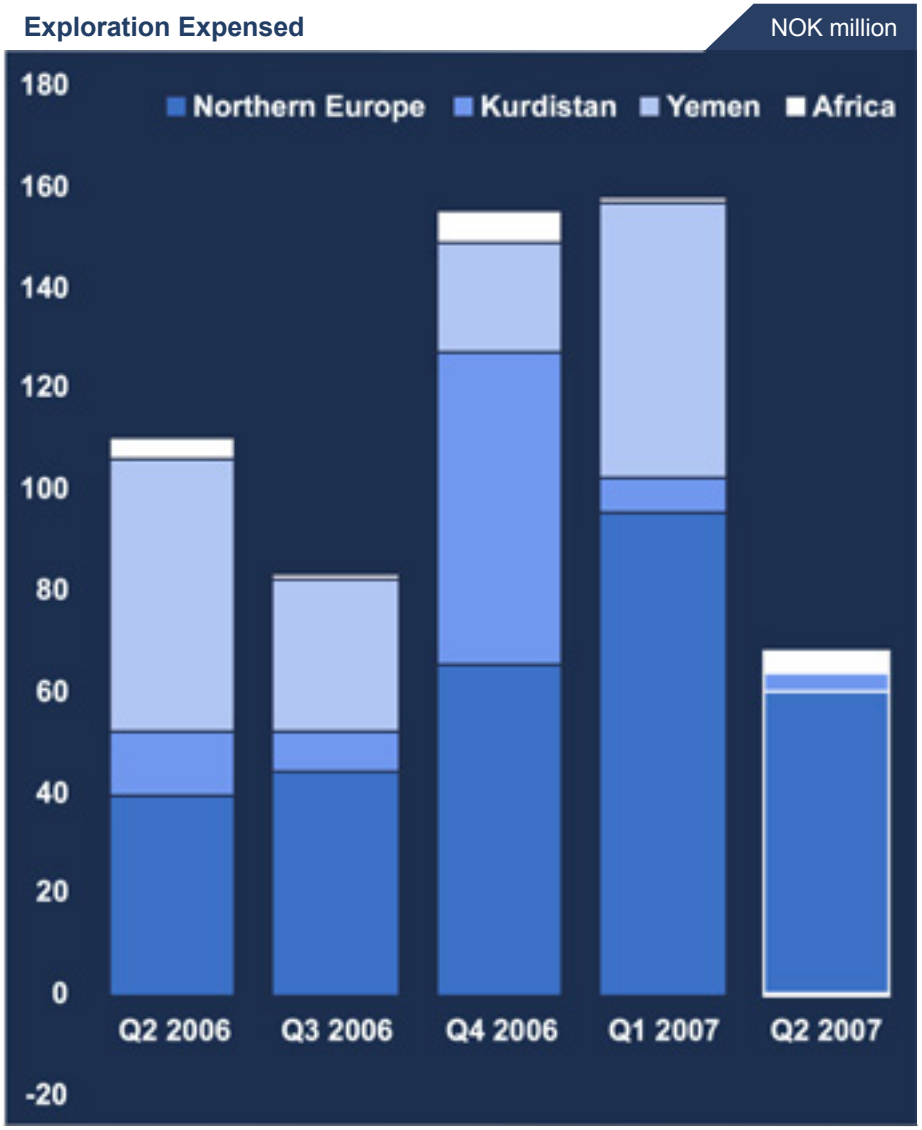
EXPLORATION ACTIVITY



Lower Expensed Exploration:

- No dry well costs in the second quarter
- Expensed NOK 36 mill. for seismic acquistion program

EXPLORATION PER SEGMENT

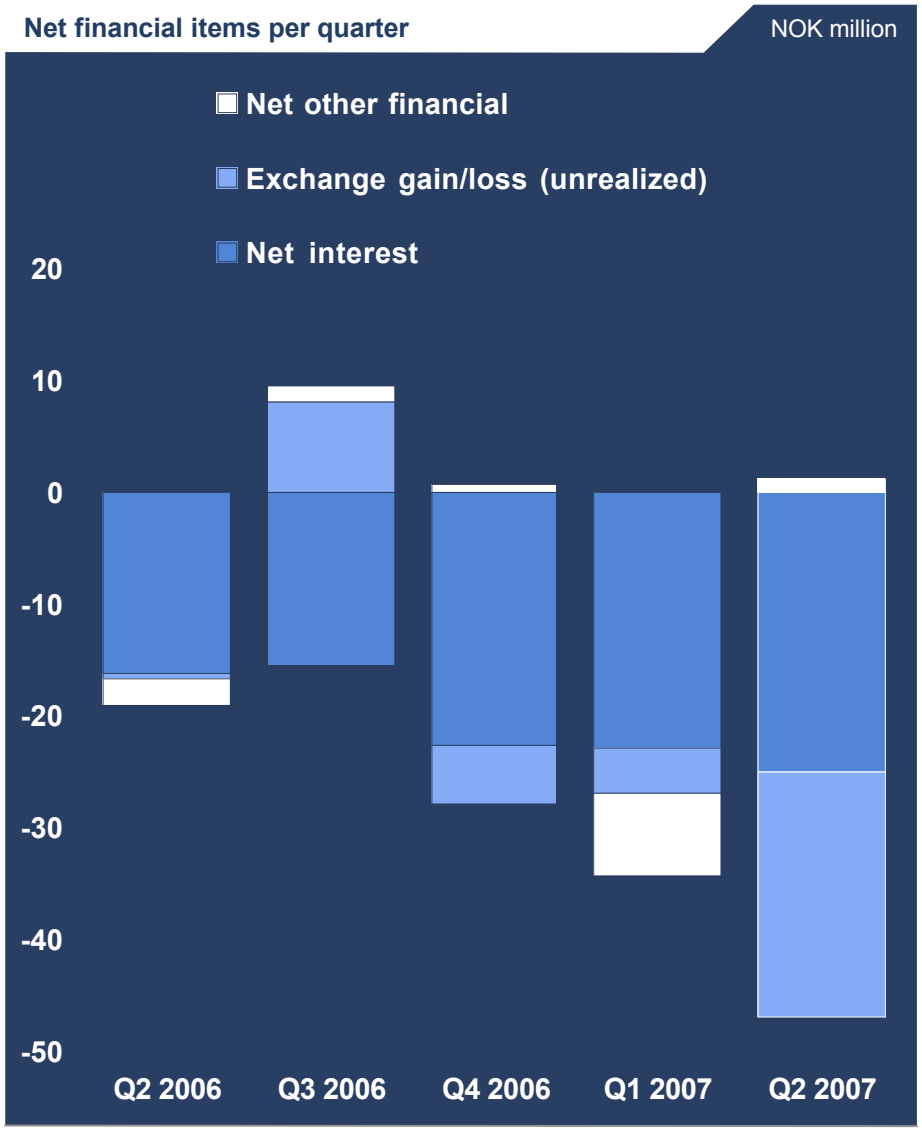


Q2 Primarily Focused on NCS

NOK 36 million for seismic exploration program on PL 387

NOK 16 million in drilling preparations, G&G and general exploration

NET FINANCIAL ITEMS



Higher Net Finance Costs

- NOK 21 million in unrealized FX loss on lower USD-rates
- Higher net interest expense

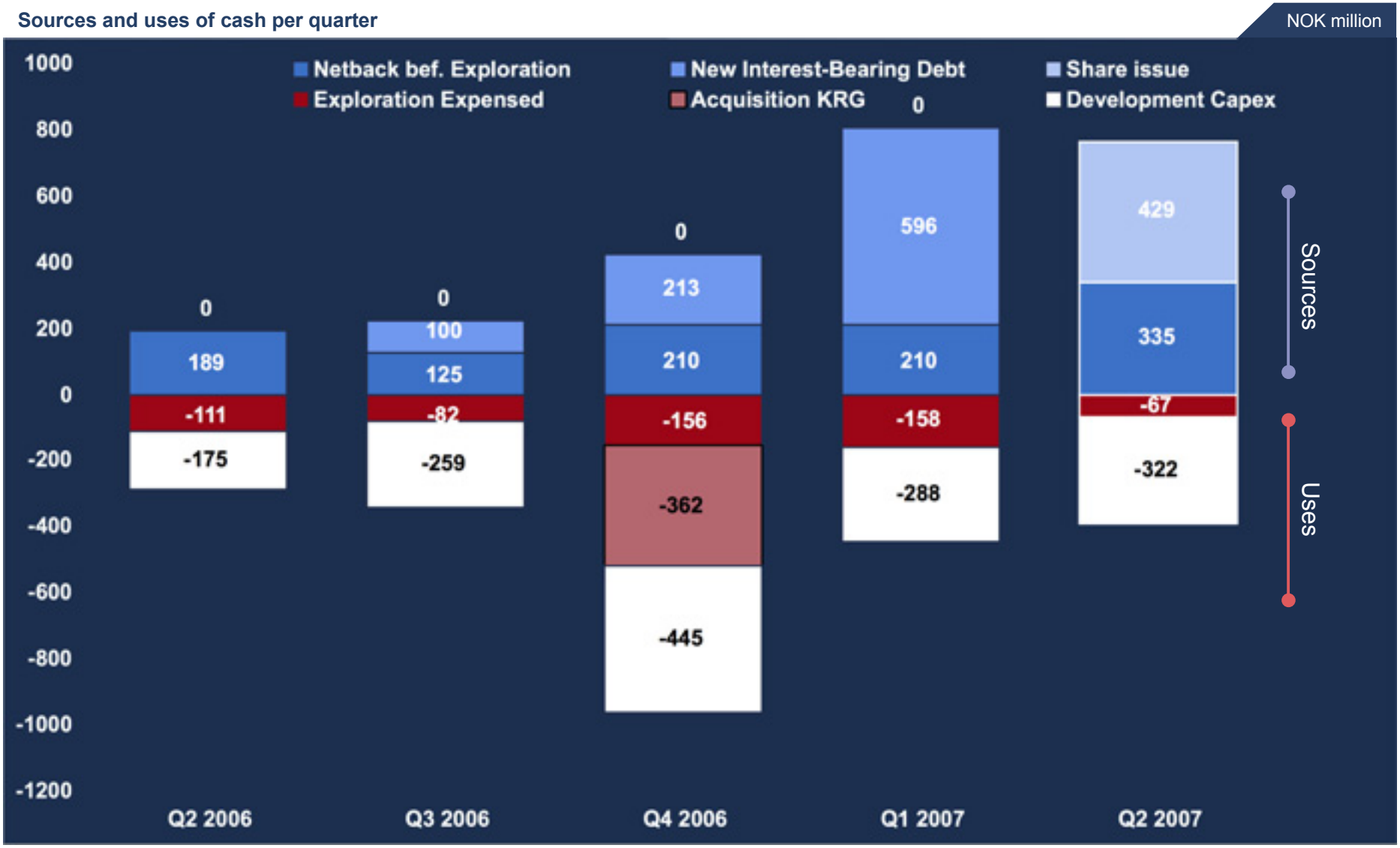
FINANCIAL REVIEW

CASH FLOW STATEMENT

	Quarterly figures					Year to date	
NOK Million	Q2 07	Q1 07	Q4 06	Q3 06	Q2 06	2007	2006
Profit from operations before exploration	300,9	159,6	154,1	170,6	242,3	460,5	524,4
Exploration expenses	-67,3	-158,0	-155,7	-82,4	-110,8	-225,3	-327,6
Taxes paid, DDA, other	-118,2	2,1	-32,7	-107,6	-27,1	-116,1	107,6
Changes in working capital	-94,6	-178,0	220,6	-20,3	-54,3	-272,7	67,7
Net cash from operations	**20,8**	**-174,3**	**186,3**	**-39,7**	**50,1**	**-153,5**	**156,9**
Net cash used in investing activities	**-174,2**	**-270,4**	**-473,7**	**-300,0**	**39,1**	**-444,6**	**-290,1**
Net cash from financing activities	**455,6**	**571,3**	**212,5**	**-13,0**	**0,8**	**1 026,9**	**-53,7**
Net increase/decrease in cash	**302,2**	**126,6**	**-74,9**	**-352,7**	**90,1**	**428,8**	**-186,9**
Cash at the beginning of the period	542,4	418,0	506,5	829,8	783,6	418,0	1 081,5
Exchange gain/(losses) on cash	-5,7	-2,2	-13,6	29,4	-43,9	-7,9	-64,9
Cash at the end of the period	**838,9**	**542,4**	**418,0**	**506,5**	**829,8**	**838,9**	**829,7**

SOURCES AND USES OF CASH

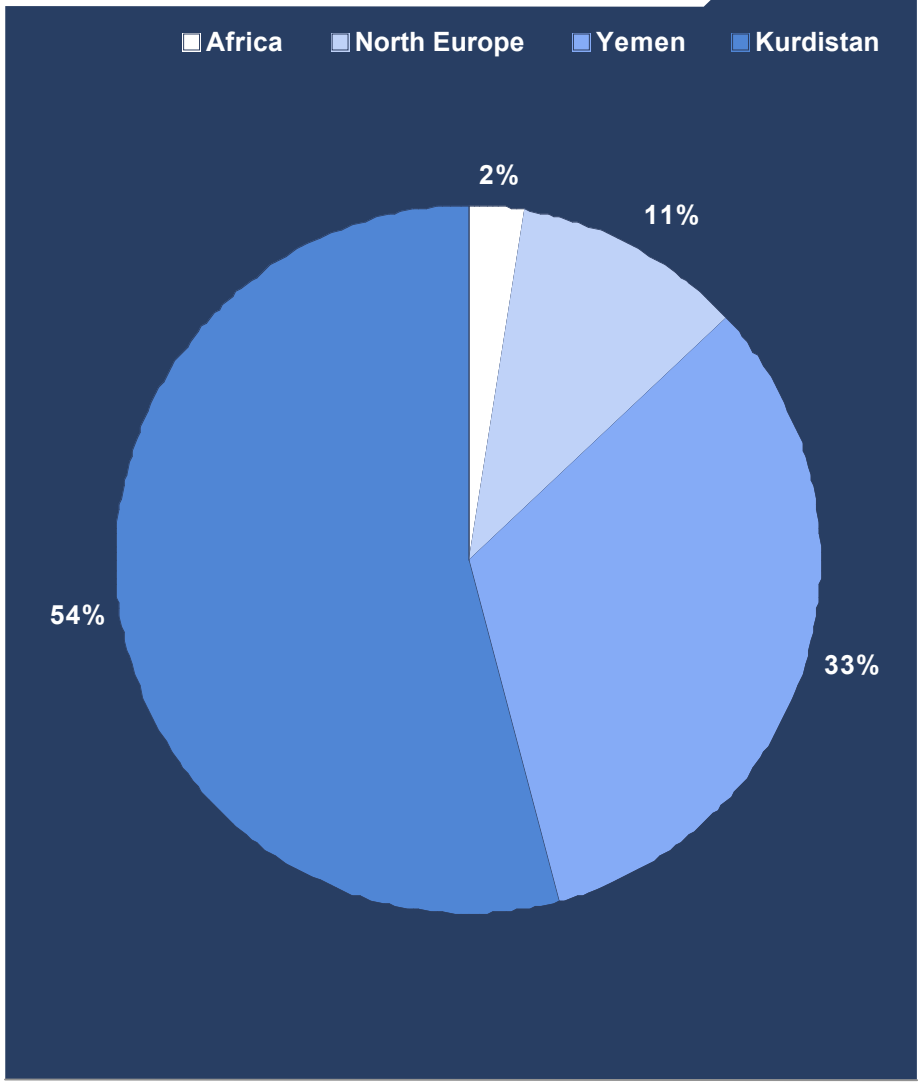
Sources and uses of cash per quarter



CAPEX BY SEGMENT

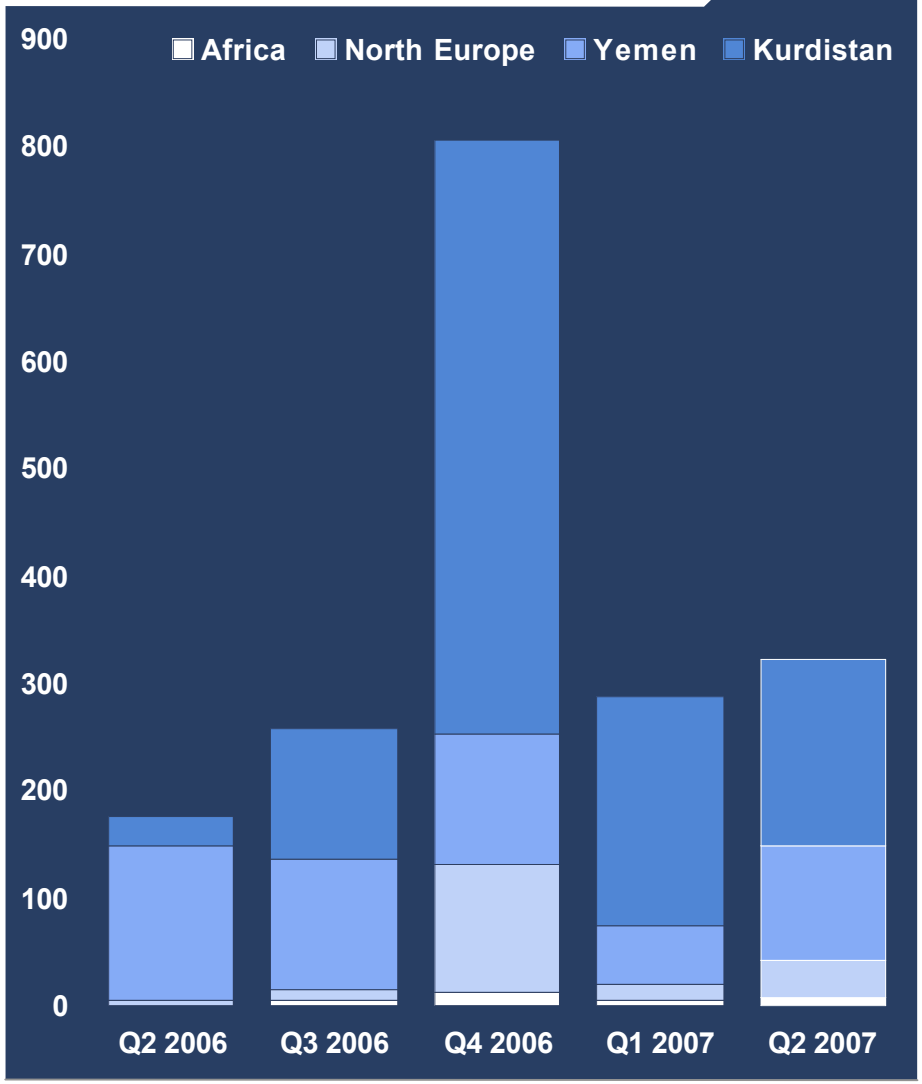
CAPEX split Q2 2007 (NOK 322 Million)

Percent

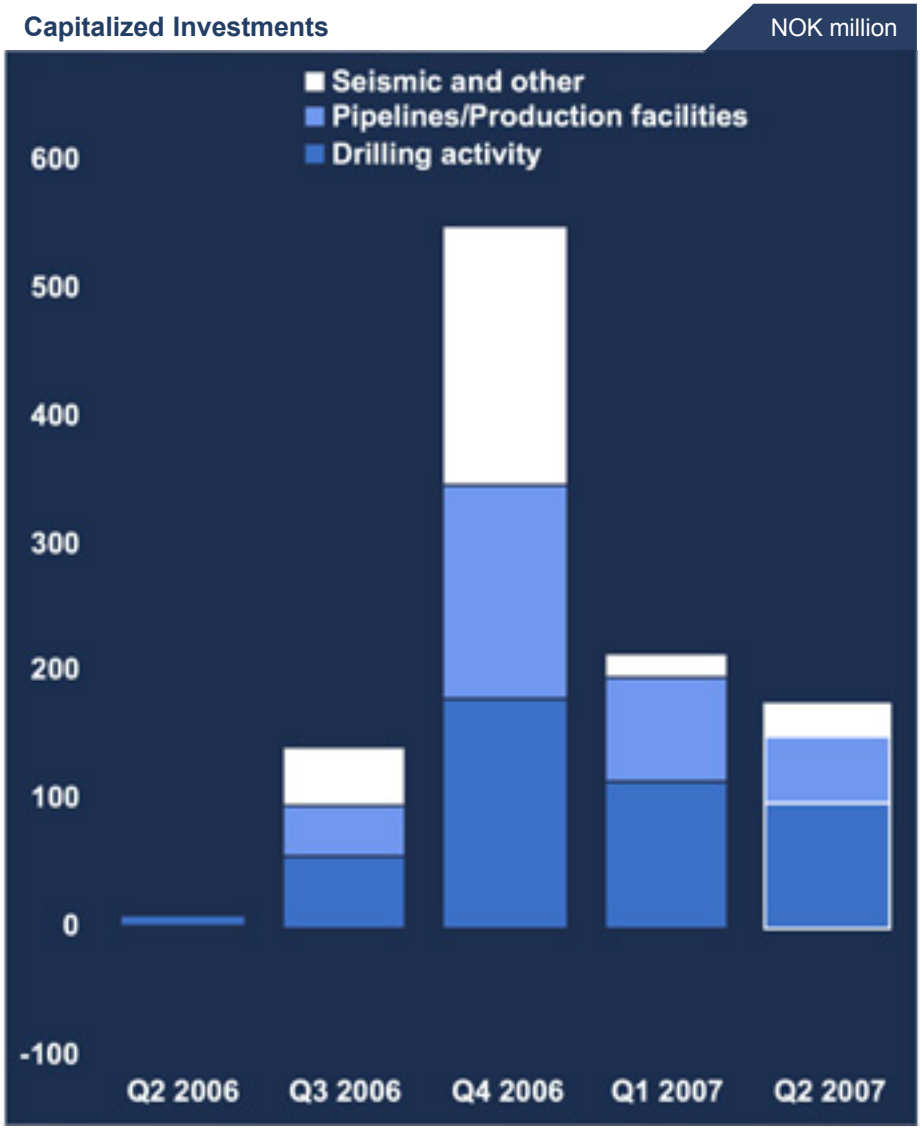


CAPEX per segment quarterly

NOK million



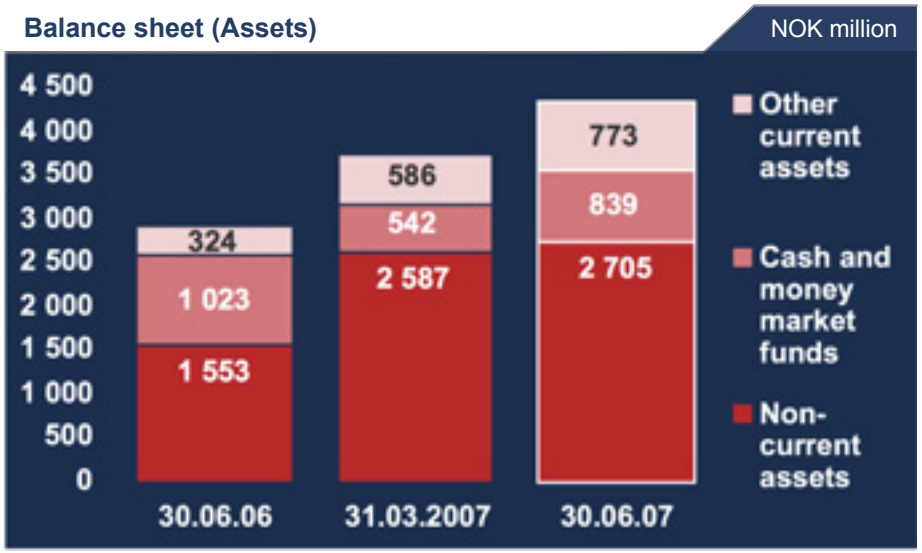
CAPEX KURDISTAN

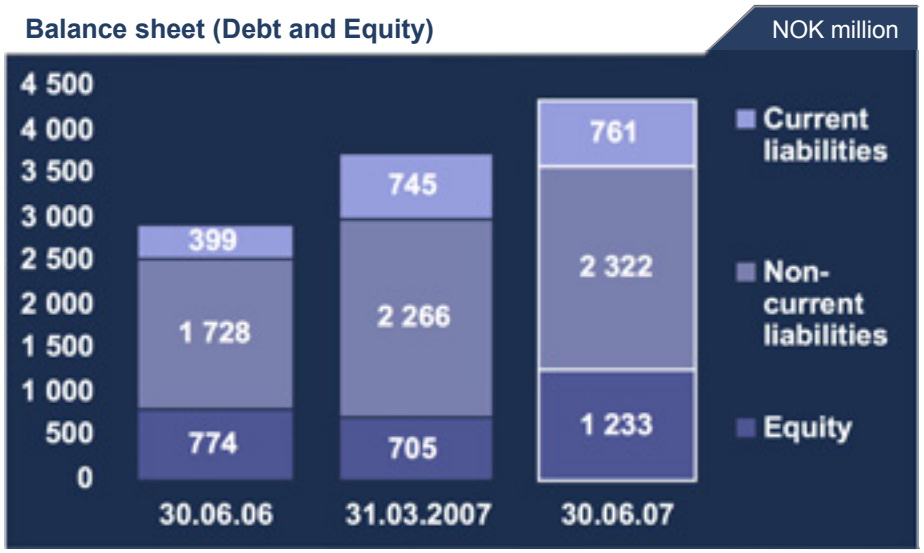


NOK 174 million in Q2 Capex

- Drilling expenditures NOK 95 million
- Production facilities and pipelines NOK 53 million

CAPITAL STRUCTURE





Raised New Equity in Norwegian Subsidiary

- Stronger group balance sheet
- Development investments increasing property, plant & equipment

Q2 2007 SUMMARY AND OUTLOOK

Financials

- Profit growth and increasing cash flow

Revised 2007 Production

- 2007 exit production target of 26,000 bopd remains unchanged – subject to export of oil from Iraq
- Estimated average 2007 production of 15-17,000 bopd
- The revised forecast is based on Tawke production delivered to domestic market. DNO is entitled to all production (net after royalty) until all project costs to date have been recovered

Exploration

- YTD exploration (expensed & capitalized) NOK 248 million, primarily NCS
- Year-end estimate below 2007 guidance of NOK 900 million due to revised drilling program
- Q3/Q4 exploration drilling in Norway (Lie, Ragnarrock, Torkildsen, Draupne) and Yemen

Development Investments

- YTD development investments of NOK 610 million, mainly Iraq and Yemen
- Year-end estimate expected to be above 2007 guidance of NOK 700 million

CLOSING REMARKS

DEVELOPING VALUE

- Continued progressing Tawke development towards completion
- Confirmed new oil discovery at Tawke
- Adding new production from Yemen
- Launched new strategy for NCS
- All approvals for NOIL as NCS drilling Operator in place

THIRD QUARTER 2007 PRESENTATION: 14 NOVEMBER 2007

WELCOME BACK