

To the shareholders of Fred. Olsen Energy ASA

Notice of Annual General Meeting

The Annual General Meeting in Fred. Olsen Energy ASA will be held on Tuesday 27th May 2008 at 15.00 pm.

Location: The Company's office at Fred. Olsensgt. 2, Oslo

The Agenda:

1. **Opening of the Annual General Meeting by the Chairman of the Board, Anette S. Olsen.**
2. **Election of Chairman for the meeting and one shareholder to sign the minutes together with the Chairman and approval of the Notice of the Meeting and the Agenda.**
3. **Directors' Report and the annual accounts for 2007 for Fred. Olsen Energy ASA parent company and consolidated.**

4. Distribution of dividend.

It is suggested that an ordinary dividend of NOK 10.00 per share and an extraordinary dividend of NOK 15.00 per share is distributed to the shareholders of the Company as of the date of the Annual General Meeting. Subject to the Annual General Meeting resolving the proposed distribution of dividend, the Company's shares will be traded ex. dividend from and including 28th May 2008, and it is expected that payment date of dividend will be 6th June 2008.

5. Authorization for the Board of Directors to increase the share capital of the Company.

The current authority with the Board to increase the share capital by 15,000,000 shares will expire on 24th May 2008. The Board proposes to the Annual General Meeting that a new authorization to increase the share capital is given to the Board. The Company may need additional equity in order to strengthen its business within the offshore segment.

At the Annual General Meeting on 24th May 2007 the Board was authorized to raise loans up to NOK 2,500,000,000 with the right to subscribe for new shares, with the corresponding authority to increase the share capital by up to NOK 300,000,000 by issuing up to 15,000,000 new shares, each with a nominal value of NOK 20,-. The current authorization has not been utilized. The Board is of the opinion that issuance of international convertible bonds with the right to subscribe shares could prove advantageous to the Company, both as a mean to refinance current long-term debt and for general corporate purposes.

The Board proposes to the Annual General Meeting the following authorities:

1. Increase of the share capital by issuing new shares
 - a) The Board is authorized to increase the share capital by up to NOK 134,000,000 divided at 6,700,000 shares, each share with a nominal value of NOK 20.
 - b) Issue price and other subscription terms to be decided by the Board.
 - c) The authority also comprises share capital increases against other assets than cash, including decision on merger, and/or acquisition of other companies.
 - d) The authority will expire at the next Annual General Meeting.
 - e) The shareholders' pre-emption right may be waived, in whole or partly.
 - f) Following any changes in the Company's share capital or number of shares as a consequence of share split, bonus issue etc., the authorization shall be deemed adjusted accordingly.
 - g) § 4 of the Company's Articles of Association to be adjusted in connection and in accordance with the share capital increase.
2. Increase of the share capital by raising loans with the right to subscribe new shares
 - a) The Board is authorized to raise loans up to NOK 2,500,000,000 with rights to subscribe new shares.
 - b) The Board is authorized to increase the share capital by up to NOK 134,000,000, divided at 6,700,000 shares, each with a nominal value of NOK 20.
 - c) Issue price and other subscription terms to be decided by the Board.
 - d) The authority expires at the next Annual General Meeting.
 - e) The shareholders' pre-emption right may be waived, in whole or partly.
 - f) Following any changes in the Company's share capital or number of shares as a consequence of share split, bonus issue etc., the authorization shall be deemed adjusted accordingly.
 - g) § 4 of the Company's Articles of Association to be adjusted in connection and in accordance with the share capital increase.

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6. Authorization for the Board of Directors to purchase the Company's own shares ("Treasury shares").

The Board of Directors proposes to the Annual General Meeting that an authorization is given to the Board to purchase own shares. The reason for the proposal is to give the Board the financial flexibility it represents to purchase own shares limited to 10% of the share capital pursuant to Sections 9-2 onwards of the Public Limited Companies Act.

The Board's proposal to the Annual General Meeting is as follows:

- a) The Board is authorized to acquire up to 6,700,000 shares in the Company, each share with a nominal value of NOK 20.
- b) The purchase price per share shall not be lower than NOK 20, - and not higher than NOK 600,-.
- c) The number of own shares shall not at any time exceed 10% of the total shares issued by the Company.
- d) The Board is authorized to decide the form of purchase of the shares and also the form of any sales of such shares.
- e) The authority expires at the next Annual General Meeting.

7. Statement by the Board of Directors on the remuneration of the senior management

The statement by the Board of Directors, in accordance with Section 6-16a of the Public Limited Companies Act, is enclosed to this notice as Appendix 1.

8. Stipulation of Board of Directors' fees

9. Stipulation of Auditor's fee.

10. Election of Board Directors.

The Board of Directors is elected for a two-year period. One of the present board members are up for election, Øivin Fjeldstad. It is proposed that he is re-elected. Stephen Knudtson is up for election as Deputy Board Director. It is proposed that he is re-elected.

Shareholders who wish to attend the Annual General Meeting are kindly requested to inform DNB NOR, Verdipapirservice, P O Box, 1171 Sentrum, 0107 Oslo, (telefax 47 22 48 11 71), within Tuesday 20th May 2008 at 15.00 hrs.

Oslo, 6th May 2008
The Board of Directors of Fred. Olsen Energy ASA

Appendix 1 to Agenda item 7

The Board of Directors' statement on salary and other remuneration of the Company's senior management, cf. Public Limited Liability Companies Act § 16-6 a, is placed before the AGM for advisory approval.

The statement is as follows:

Fred. Olsen Energy ASA - statement by the Board of Directors on salary and other remuneration of the senior management

Statement by the Board

The Board of Directors of Fred. Olsen Energy ASA will present the following statement on salary and other remuneration of the senior management to the 2008 Annual General Meeting in accordance with the Public Limited Liability Companies Act § 6-16a:

The Board's Compensation Committee

The Board of Directors of Fred. Olsen Energy ASA has a Compensation Committee comprising the Chairman of the Board and two Directors, of which one is independent of the main shareholders. The Compensation Committee considers and recommends to the Board salary and benefits for the Chief Executive Officer as well as management incentive schemes for the Group.

The senior management consists of the Group management (Chief Executive Officer and Chief Financial Officer of Fred. Olsen Energy ASA) and the Managing Directors in the subsidiaries, a total of 6 employees.

Guidelines for determining the salary and other remuneration of Fred. Olsen Energy ASA's senior management

The policy of Fred. Olsen Energy ASA is to offer competitive payments and benefits to senior management to attract qualified management within the company's business segments. The company seeks to apply competitive and motivating remuneration principles to attract, develop and retain highly qualified employees.

The salaries paid to the senior management are determined on the basis of the responsibility and complexity of the appointment in question. A part of the remuneration to the senior management is based on the company's financial performance and related to achieved budget goals and the increase in market value of the shares of the company.

In addition to fixed salary, the senior management of Fred. Olsen Energy ASA receives other remuneration by way of annual bonuses, participation in the Group's pension scheme, benefits in kind in the form of newspapers, telephone, and company car, and other employee benefits. The senior management is not entitled to salary payments upon termination of employment for a period beyond what is stipulated by law.

From 1998 to 2003 the company had a management stock option scheme. This was replaced by a bonus scheme from 2005.

Further information on the management stock option scheme

In 1998 the Annual General Meeting resolved to grant the Board of Directors authority to issue up to 3 million shares to be used for employee incentive compensation schemes designed to align the interest of management with those of its shareholders. Under the terms of the stock option scheme, the options were not exercisable until one year after grant at which point one third of the options became exercisable in each of the subsequent 3 years. All options under the stock option plan carried a strike price that was determined by the market price of the stock on the date of the grant.

No grants have been made in 2004, 2005 or 2006.

During 2007, 1 334 options were exercised by management in accordance with the terms of the grants of 2003. At the end of March 2008, there were no outstanding stock options.

The management share option scheme was replaced with a management cash bonus scheme from 2005.

Further information on the bonus scheme

The beneficiaries of the cash bonus scheme are the senior management and certain key personnel. Annual payments under the scheme, maximised to one year's salary, are subject to the Group achieving certain pre-defined financial criteria, including achieved budget goals and increase in the market value of the company's shares. For 2005 the beneficiaries received maximum payment under the scheme, which was paid in 2006. Also for 2006 the beneficiaries received maximum payment, which was paid in March 2007. In 2007 the beneficiaries received partly payment under the scheme, which was paid in March 2008.

The remuneration for 2007 has been in accordance with the statement presented at the Annual General Meeting in May 2007. The principles are unchanged from 2007 to 2008.

The remuneration of the senior management is further described in notes 16, 18 and 20, respectively, in the Annual report for 2007.

The Board proposes that the AGM approve the following resolution:

"The AGM hereby approves on an advisory basis the Board's statement on determination of the salary and other remuneration to senior management"

Oslo, 6th May 2008

(Sign.)
Anette S. Olsen
(Chairman)

(Sign.)
Cecilie B. Heuch

(Sign.)
Agnar Gravdal

(Sign.)
Jan Peter Valheim

(Sign.)
Øivin Fjeldstad

DNB NOR,
Verdipapirservice,
P O Box 1171 Sentrum,
0107 Oslo
(telefax +47 22 48 11 71)

Registration relative to the ordinary general meeting of Fred. Olsen Energy ASA

The undersigned, who is shareholder of Fred.Olsen Energy ASA, will attend the Annual General Meeting on 27th May 2008.

Number of shares:

The undersigned, owner of: shares

The undersigned will attend by way of proxy for: shares

Total number of shares: shares

.....
Place and date (must be filled in)

.....
Name (must be signed)

PROXY

Shareholders, who are not able to attend the Annual General Meeting in person, may execute a proxy in the name of another person attending the meeting. Such proxy may be issued to the Chairman Annette S. Olsen, CEO Helge Haakonsen or any other person. If no name is stated, the proxy will be considered given to the Chairman of the meeting.

Proxy for the Chairman or other representatives of the Company may only be given to the extent such proxy supports a vote fully consistent with the Board's proposal.

The undersigned, owner of shares in Fred.Olsen Energy ASA hereby grants

..... proxy to attend the Annual General Meeting on
(Please use capital letters) May 27th 2008 and to vote on my behalf.

.....
Place and date (must be filled in)

.....
Name (must be signed)