

Positive order situation in challenging markets

STX Europe ASA reported an EBITDA result of NOK 45 million for the third quarter of 2008 for the continuing operations, down from NOK 138 million in the same period last year. While the revenues grew with 14.2 percent and new order intake amounted to NOK 7 344 million, an ongoing project within Offshore & Specialized Vessels for A.P. Moller - Maersk AS continued to negatively influence the EBITDA result also in the third quarter. The transaction with FLC West was completed at the end of July. This resulted in a profit from discontinued operations of NOK 791 million and increased the equity ratio to 22 percent.

In the third quarter of 2008, STX Europe's continuing operations had revenues of NOK 6 999 million, an increase of 14.2 percent compared with NOK 6 128 million in the corresponding period of 2007. The EBITDA result for the third quarter was NOK 45 million, giving an EBITDA margin of 0.7 percent.

As communicated in the report for the second quarter 2008, several ships in a series of ten vessels for A.P. Moller - Maersk have suffered from delays and poor quality. This project constitutes a significant part of the ongoing projects within the business area Offshore & Specialized Vessels. The problems have continued in the third quarter, and will negatively affect the results for the remainder of 2008.

While measures to improve the project execution for the A.P. Moller - Maersk vessels have been introduced, the impact of this ten vessel delivery program will negatively impact the group results for 2008. As a result, the Board has revised its guidance. The revised guidance for 2008 is an EBITDA margin of one to two percent.

Earnings per share (EPS) were NOK 6.47 in the quarter, compared with NOK 0.16 in the same period in 2007.

During the third quarter, STX Europe delivered a total of twelve vessels. Order intake was NOK 7 344 million in the quarter, giving an order backlog of NOK 56 991 million comprising 86 vessels at the end of the period.

In July, STX Norway AS, already a 40.39 percent shareholder at the time, launched a mandatory offer to acquire all remaining shares in STX Europe. After the offer expired 15 August 2008, STX Norway AS holds 88.39 percent of the total issued shares and 92.46 percent of the voting shares in STX Europe. At an extraordinary general meeting on 3 September, the company's name was changed from Aker Yards ASA to STX Europe ASA as a reflection of the new ownership structure.

Being a part of the STX Business Group presents a potential for synergies and sharing of best practices within the group. Benefiting from synergies with STX has already started, within areas such as sourcing, engineering, construction methods, project execution, benchmarking and marketing. Sharing best practices and taking advantage of potential synergies is vital in improving the operations and further develop STX Europe's market position.

During the third quarter, Torstein Dale Sjøtveit took up the position as President & CEO of STX Europe ASA.

Key financial figures (unaudited) ¹⁾	Quarterly results					Year-to-date		Full year
	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	2007	2008	2007
<i>Amounts in NOK million</i>								
Operating revenues	6 128	7 964	7 471	7 922	6 999	19 028	22 392	26 992
EBITDA	138	-519	211	72	45	435	328	-84
EBITDA-margin (%)	2,2 %	-6,5 %	2,8 %	0,9 %	0,7 %	2,3 %	1,5 %	0,0 %
EBITA	47	-610	121	-19	-50	168	51	-442
EBITA-margin (%)	0,8 %	-7,7 %	1,6 %	-0,2 %	-0,7 %	0,9 %	0,2 %	-1,4 %
EBIT	41	-490	117	-23	-53	313	40	-177
Profit after tax	12	-323	-12	-134	703	415	557	92
Earnings per share (NOK)	0,16	-2,81	-0,12	-1,24	6,47	3,76	5,11	0,95
Total assets	24 902	30 499	31 258	31 732	26 938	27 089	26 938	30 499
Equity	5 353	5 160	5 186	5 033	5 923	5 353	5 923	5 160
Equity ratio (%)	21,5 %	16,9 %	16,6 %	15,9 %	22,0 %	19,8 %	22,0 %	16,9 %
Net interest-bearing liabilities (+) / Deposits (-)	372	1 854	992	2 738	1 927	815	1 927	1 854
Cash & short-term ib. receivables ²⁾	5 752	4 989	5 465	3 901	3 181	5 911	3 181	4 989
Net working capital	-1 354	-1 176	-1 268	285	603	-1 087	603	-1 176
Order intake	4 459	3 350	870	592	7 344	26 246	8 806	29 596
Order backlog	71 021	68 160	61 550	55 211	56 991	71 021	56 991	68 160
Number of employees	16 346	15 753	15 667	15 825	15 185	16 346	15 185	15 753

¹⁾ Unless otherwise stated amounts in 1Q, 2Q and 3Q 08 are related to continuing operations only. All amounts in previous quarters are reclassified to be comparable.

²⁾ Cash and short-term interest-bearing receivables include cash from discontinued operations in periods prior to 3Q 2008.

Report for the third quarter 2008

Financial results

The discussion of the financial results should be read together with the tabular information on page 6 onwards.

STX Europe had revenues in the third quarter of 2008 of NOK 6 999 million, compared with NOK 6 128 million in the corresponding period in 2007. The increase in revenues of NOK 871 million is due to high activity levels at all yards.

In the third quarter of 2008, STX Europe had an EBITDA of NOK 45 million, compared with NOK 138 million in the corresponding quarter in 2007. The EBITDA margin was 0.7 percent whereas the margin was 2.2 percent in the same period last year.

EBIT for the quarter was NOK -53 million. Net financial items were negative with NOK 43 million. Pre-tax profit for the third quarter was NOK -96 million, compared with NOK -17 million in the third quarter of 2007. Earnings per share were NOK 6.47, compared with NOK 0.16 in the same period last year.

At the end of July, the transaction with FLC West was completed. As announced at closing, the final transaction price was EUR 248.9 million. This resulted in a profit from discontinued operations of NOK 791 million. Evaluations of debt and working capital in the discontinued operations may influence the financial results of STX Europe also after the third quarter.

In the agreement, which was first announced in March, FLC West has become a 70 percent shareholder in three shipyards in Germany and Ukraine, now called Wadan Yards. As part of the transaction, STX Europe ASA has taken ownership of contracts for four container ships for delivery in 2010. Placing these contracts in the market will be considered in due course.

The three involved yards have from first quarter 2008 been reported as discontinued business.

STX Europe is dependent on funding cash needs both at parent company and subsidiary level through bank borrowings and debt issuance in the capital markets. The continuing uncertainty in the world's financial markets implies a risk factor for the company going forward.

Discontinued operations

Discontinued operations remain consolidated in the Group's financial statement, which means that any internal transactions between continuing and

discontinuing operations are eliminated in the consolidation. As a consequence, the amounts ascribed to continuing and discontinuing operations are revenues and expenses only from external transactions. The profit and loss statements for prior periods have been reclassified to be comparable. External assets and liabilities, excluding cash and cash equivalents, are presented separately as held for sale in the balance sheet with effect from the time STX Europe entered into the agreement. The balance sheet has not been reclassified for prior periods.

Health, Safety and Environment (HSE)

In the third quarter, STX Europe achieved the best Lost Time Incidents (LTI) result ever observed. LTI per million hours for the group ended up on 6.7, which represents a 34 percent improvement in accident frequency compared with the corresponding quarter last year. Moreover, the number of fire incidents was reduced by 40 percent. Sick leave has not been reduced to the same extent, but some positive indicators have been observed during the last months. The sick leave result in the third quarter ended up on 4.8, which is a reduction compared with the first and second quarter of 2008.

The group had a falling trend in reporting of safety observations in July and August, but has since then returned to the same levels as in May and June. Systematic reporting of safety observations with corrective actions as well as a frequent HSE audit program are important explanations for the improvement observed last year.

Business Area information

Cruise & Ferries

<i>In NOK million</i>	3Q 07	3Q 08	YTD 2007	YTD 2008	2007
Operating revenues	4 090	3 830	11 983	13 667	16 824
EBITDA	104	133	272	444	-175
EBITDA margin %	2,5 %	3,5 %	2,3 %	3,2 %	-1,0 %
Order intake	239	3 124	13 426	3 256	14 514
Order backlog	41 655	29 472	41 655	29 472	39 254

Financial results - Cruise & Ferries

The Cruise & Ferries business area had third quarter 2008 revenues of NOK 3 830 million, compared with NOK 4 090 million in the corresponding period in 2007. The EBITDA for the business area was NOK 133 million in the third quarter, giving an EBITDA margin of 3.5 percent.

Cruise & Ferries had order intake of NOK 3 124 million in the third quarter. At the end of the quarter,

the Cruise & Ferries business area had an order backlog of NOK 29 472 million, consisting of 15 vessels. This is a decrease of 29.2 percent from the NOK 41 655 million in order backlog at the end of third quarter 2007.

Orders and deliveries - Cruise & Ferries

During the third quarter, STX Europe and P&O Ferries signed a contract for building two large car-passenger ferries, with a total contract price for both vessels of approximately EUR 360 million. The vessels will be built in Rauma with delivery in 2010 and 2011 respectively.

Also during the quarter, STX Europe announced a contract with MSC Cruises for two cruise ships of Musica-class. The contract is still subject to financing and for that reason the two vessels are not included in the order intake or backlog for the third quarter. If the project is executed, the vessels, which would be number five and six in the Musica-class series, would be built at the yard in Saint-Nazaire and delivered in February 2011 and February 2012 respectively.

There was one ship delivery from business area Cruise & Ferries during the third quarter. The cruise ferry *Baltic Princess* is the fourth sophisticated cruise ferry STX Europe has delivered for Tallink, and the production of a fifth is proceeding in the Rauma yard for delivery in 2009.

The order backlog at the end of the quarter consisted of a total of 15 vessels, of which nine are big cruise ships.

In September it was announced that STX Europe in France is in a dispute with the cruise vessel operator Norwegian Cruise Line (NCL) over the costs of the construction of the first of the two cruise vessels ordered by NCL in 2006. In order to provide flexibility in the production schedule, supplies to the second vessel have been temporarily suspended. A process is ongoing to find solutions to the dispute, including a dialogue with NCL and its involved subsidiaries with the objective of establishing an agreement. Until the dispute is solved, this represents an uncertainty to the company.

In March, the company announced the start of a dialogue with Royal Caribbean aiming at establishing an agreement for a fourth cruise ship in the Freedom class. This dialogue with RCL continues.

Operation and market comments - Cruise & Ferries

During the third quarter, Martin Landtman took up the position as manager for the Finnish yards. Together with the manager for the yards in France

and the manager for sales and marketing within Cruise & Ferries, he is part of the corporate management team.

Through 2008, the company has communicated that the key markets may soften compared to 2007. During the third quarter, cruise operators have expressed concerns about the operating costs and the dampening health of the economy, making it difficult for them to justify new ship orders.

The general economic climate, and its effect on factors like access to financing, number of cruise passengers, raw material prices and newbuilding costs, will continue to influence the order intake going forward. Recently, cruise operators have reported significant deterioration in new bookings due to economic and financial turmoil.

Still, despite turbulence in the world's financial markets, STX Europe received orders for two new ferries during the quarter.

With stricter safety and environmental regulations and more focus on passenger comfort and entertainment onboard, some cruise liners may consider refurbishing older ships a cost effective alternative to newbuildings. STX Europe's Lifecycle Services unit specialize in conversions and refurbishments, and follows opportunities in this market niche closely. During the quarter, STX Europe's Lifecycle Services unit signed a refurbishment contract with Eckerö Line and a conversion contract with Canadian G.A.P. Adventures, and has in all six conversion contracts in the orderbook.

In the ferry markets, growth continues at a steady pace, with stable order intake levels. However, if faced with a global economic downturn, regional transportation needs and short-voyage passenger trips may diminish thus reducing ferry owners' earnings going forward.

Offshore & Specialized Vessels

<i>In NOK million</i>	3Q 07	3Q 08	YTD 2007	YTD 2008	2007
Operating revenues	1 873	2 678	6 147	7 658	9 072
EBITDA	143	-84	396	107	550
EBITDA margin %	7,6 %	-3,1 %	6,4 %	1,4 %	6,1 %
Order intake	4 190	4 221	12 663	5 479	14 925
Order backlog	26 526	25 955	26 526	25 955	26 300

Financial results - Offshore & Specialized Vessels

The business area Offshore & Specialized Vessels had revenues in the third quarter of NOK 2 678 million. This represents a NOK 805 million increase in the business area's revenues, compared with the corresponding quarter of 2007. Offshore & Specialized Vessels achieved an EBITDA of

NOK -84 million in the third quarter of 2008 with an EBITDA margin of -3.1 percent.

As in the previous quarter, the EBITDA result is negatively influenced by a series of ten anchor handling tug supply vessels currently under construction for delivery in 2008 and 2009. The negative development in this project, due to both internal productivity challenges and delayed and poor quality deliveries from sub suppliers, will affect the results within Offshore & Specialized Vessels for the remainder of 2008.

Total order intake in the quarter amounted to NOK 4 221 million. Offshore & Specialized Vessels had an order backlog of 67 ships at a total value of NOK 25 955 million at the end of the period. This is a decrease of 2.2 percent from previous year.

Orders and deliveries - Offshore & Specialized Vessels

In the third quarter, STX Europe received orders for a total of four new offshore vessels, including a well intervention vessel to Island Offshore. Also, STX Europe signed a contract with DOF ASA for building of three Anchor Handling Tug Supply vessels (AHTS). All the vessels will be of STX Europe' own design and equipped for operations in the Brazilian market. The three ships are scheduled for delivery in 2010 and 2011.

During the third quarter, STX Europe delivered ten vessels from the Offshore & Specialized Vessels business area, including *Scandi Acergy* to DOF Subsea. *Scandi Acergy* is among the world's most advanced subsea construction vessel in its class. The vessel, which is 157 meters long and 27 meters wide, is designed for deep water operations in depths of 3 000 meters. Both *Scandi Acergy* and the *Olympic Challenger*, also delivered this quarter, are of STX Europe's own design.

At the end of the quarter, the order backlog consisted of 67 Offshore & Specialized Vessels.

Operation and market comments - Offshore & Specialized Vessels

Activity levels continue to be high at all the nine yards producing Offshore & Specialized Vessels. The order backlog is still solid, and capacity utilization both for hull construction in Romania and at the outfitting yards in Norway continues to be high. At most yards, deliveries are stretching into 2011 or later.

The ongoing financial turmoil is clearly influencing the newbuilding market for Offshore & Specialized Vessels, and a downward trend in newbuilding activity is being observed. Long lead times and a large newbuilding order book adds to the slow-down in order intake. For ship owners entering new

charters, newbuilding investments are still being considered.

The underlying demand is considered to be stable, depending that the large oil price fluctuations settle at a level for sustainable offshore oil and gas exploration and production. The ordering activity is expected to recover somewhat once the financial turmoil stabilizes, with arctic and deep water regions being key areas for growth. Additionally, stricter age requirements from charterers and more environmental and safety regulations create demand for vessels with innovative solutions and features for fuel saving, emission reductions and safety focus. STX Europe is well positioned within these segments.

Other Operations

<i>In NOK million</i>	3Q 07	3Q 08	YTD 2007	YTD 2008	2007
Operating revenues	165	491	898	1 068	1 096
EBITDA	-109	-4	-235	-221	-461
Order intake	30	-	157	72	157
Order backlog	2 840	1 564	2 840	1 564	2 606

Financial results - Other Operations

The segment Other Operations includes the yard in Florø in Norway, units for development and sales of LNG technologies, arctic technologies and other solutions. Corporate costs are also presented under this segment. Prior periods' revenue and results have been reclassified to be comparable.

Other Operations had revenues of NOK 491 million in the third quarter, an increase of NOK 326 million relative to the corresponding period last year. In the third quarter, Other Operations had an EBITDA of NOK -4 million, compared with NOK -109 million in the corresponding quarter in 2007.

No new orders were taken in the third quarter, and the order backlog at the end of the period was NOK 1 564 million.

Operation and market comments - Other Operations

The yard in Florø is building a series of six chemical tankers for Stolt-Nielsen. The second vessel in the series, *Stolt Sneland*, was delivered in September. The backlog consisting of four more chemical tankers stretches to 2010.

The yard is actively pursuing the market in order to identify projects where the yard can use its expertise. The yard is also evaluating how it may benefit from increased cooperation with the other units within STX Europe and the STX Business Group.

In Florø, work is ongoing to develop the yard and to improve operations. Improvement measures have been implemented to address challenges related to cost and efficiency at the yard.

In the third quarter, the rental agreement of premises in Førde at the West Coast of Norway was terminated and STX Europe has since no remaining production there.

The Okean yard in Ukraine, which is part of Wadan Yards where FLC West has become the majority shareholder, delivers hulls to Florø for outfitting. The contractual agreement between Florø and Okean for further hull deliveries will remain effective also after the transaction with FLC West.

Other matters

As of 28 October 2008 the number of outstanding shares was 113 607 085, distributed among 1 181 shareholders. STX Europe holds 5 000 000 treasury shares.

In July 2008, STX Norway AS, already a 40.39 percent shareholder at the time, launched a mandatory offer to acquire all remaining shares in STX Europe at a price of NOK 63 per share. Under the mandatory offer STX Norway AS received acceptances from shareholders representing a total of 54 532 431 shares to acquire shares in STX Europe. After settlement of the mandatory offer STX Norway AS holds a total of 100 416 141 shares in STX Europe, corresponding to 88.39 percent of the total issued shares in the company and 92.46 percent of the voting shares.

At an extraordinary general meeting on 3 September, a new board was elected and the company's name was changed from Aker Yards ASA to STX Europe ASA as a result of being part of the STX Business Group.

In June 2008, STX signed a memorandum of understanding with the French government, regarding possible future co-ownership for the state in STX Europe's yards in France. Both the French government and STX Europe have expressed interest to develop a model with co-ownership, and consider this as an opportunity to strengthen to further opportunities for the French yards. The company is in a dialogue with the French government, but it is too early to estimate a possible outcome of this process.

Events after the end of the reporting period

No new orders or letters of intent have been reported to the Oslo Stock Exchange since the end of the third quarter.

Outlook

Activity at the yards continues to be high within all business areas, but, the general economic climate clearly influences customers' willingness and financial capacity to invest in newbuilds.

Main cruise ship operators report a downward trend for 2009 bookings. In addition, the cruise operators express concerns about the dampening health of the international finance market and reduced private consumer economy.

Also the business area Offshore & Specialized Vessels is affected by the financial turmoil, and customers are struggling to obtain financing for new projects. Despite underlying demand for new vessels tailored for advanced operations, the economic conditions are slowing down the ordering activity for newbuilds.

Depending that the large fluctuations in oil price in the third quarter settles at a sustainable level, the market for vessels operating in challenging environments such as arctic and deep water regions is expected to remain stable.

Facing what could become several quarters with a more challenging market, STX Europe has a positive foundation in the high order backlog. Further, the company will focus on internal improvements of productivity and margins. Executing existing projects predictably will be a key priority.

In addition, STX Europe will use its market position and designs for effective ships in combination with the global market contacts of the STX Business Group to pursue new project opportunities.

As in previous years, STX Europe expects quarterly fluctuations in the results, mainly due to the phasing of major projects. The Board expects an EBITDA margin for 2008 of one to two percent for the full year.

Oslo, 28 October 2008

Board of Directors

STX Europe ASA

Tabular information

Profit and loss statement (unaudited)¹⁾

Amounts in NOK million	Quarterly results					Year-to-date		Full year
	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	2007	2008	2007
Operating revenues	6 128	7 964	7 471	7 922	6 999	19 028	22 392	26 992
Operating expenses	-5 990	-8 483	-7 261	-7 850	-6 953	-18 594	-22 065	-27 076
Other net income	0	0	0	0	0	0	0	0
EBITDA	138	-519	211	72	45	435	328	-84
Ordinary depreciation	-91	-92	-90	-91	-95	-266	-276	-358
Amortization and write-downs	-6	-6	-4	-4	-4	-15	-11	-21
EBIT before non recurring items	41	-616	117	-23	-53	153	40	-463
Impairment of goodwill / recognition of negative goodwill	0	126	0	0	0	160	0	286
Other non recurring items	0	0	0	0	0	0	0	0
EBIT	41	-490	117	-23	-53	313	40	-177
Net financial items	-58	-27	-41	-28	-43	174	-112	147
Share of profit of associated companies	0	-5	0	0	0	6	0	2
Profit before tax	-17	-521	76	-52	-96	493	-72	-28
Tax	10	246	-34	0	8	-40	-26	206
Profit from continuing operations	-8	-275	41	-52	-88	453	-98	178
Profit from discontinued operations	20	-48	-54	-81	791	-38	655	-87
Profit after tax	12	-323	-12	-134	703	415	557	92
Minority interests	3	10	1	-1	0	3	-1	13
Equity holders of STX Europe ASA	15	-313	-11	-135	703	418	556	104
Earnings per share								
Earnings per share	0,16	-2,81	-0,12	-1,24	6,47	3,76	5,11	0,95
Diluted earnings per share	0,16	-2,81	-0,12	-1,24	6,47	3,76	5,11	0,95

¹⁾ Amounts in 1Q, 2Q and 3Q 08 are related to continuing operations only. All amounts in previous quarters are reclassified to be comparable.

Balance sheet (unaudited)

Assets

<i>Amounts in NOK million</i>	30.09.2007	30.09.2008	31.12.2007
Property, plant & equipment	3 275	2 855	3 450
Goodwill	1 599	1 302	1 626
Other intangible assets	73	33	47
Total intangible assets	1 672	1 335	1 672
Deferred tax assets	544	712	713
Associated companies	5	325	4
Available for sale financial assets	124	27	34
Interest-bearing long term receivables	163	63	35
Other long term assets	29	38	32
Total financial assets	865	1 164	818
Total non-current assets	5 812	5 354	5 940
Current operating assets	13 307	18 403	19 562
Interest-bearing short term receivables	259	94	359
Total receivables and other current assets	13 566	18 497	19 921
Cash and bank deposits	5 525	3 087	4 638
Total current assets	19 091	21 583	24 559
Assets held for sale	-	-	-
Total assets	24 902	26 938	30 499

Equity and liabilities

<i>Amounts in NOK million</i>	30.09.2007	30.09.2008	31.12.2007
Paid-in capital	702	702	702
Other paid-in capital	3 000	3 000	3 000
Other reserves	-337	-205	-206
Retained earnings	1 940	2 392	1 623
Total equity attributable to equity holders of the parent	5 305	5 889	5 119
Minority interest	48	34	41
Total equity	5 353	5 923	5 160
Long term interest-bearing liabilities	2 533	2 018	2 417
Deferred tax liability	72	32	17
Non-current provisions	267	137	411
Other long-term liabilities	655	363	517
Total non-current liabilities	3 527	2 550	3 361
Construction loans	3 734	7 752	6 987
Other short term interest-bearing liabilities	706	665	894
Current provisions	239	392	558
Current operating liabilities	11 343	9 656	13 538
Total current liabilities	16 022	18 465	21 977
Total liabilities	19 548	21 015	25 339
Liabilities held for sale	-	-	-
Total equity and liabilities	24 902	26 938	30 499

Statement of changes in shareholders equity (unaudited)

<i>Amounts in NOK million</i>	Share capital	Share premium	Other paid-in capital	Other reserves	Retained earnings	Total equity of shareholders	Minority interests	Total equity
Equity as of 1 January 2008	434	268	3 000	-205	1 622	5 119	41	5 160
Change in minority interest	-	-	-	-	8	8	-8	-
Net profit	-	-	-	-	556	556	1	557
Translation differences	-	-	-	-	206	206	-0	206
Equity as of 30 September 2008	434	268	3 000	-205	2 392	5 889	34	5 923

<i>Amounts in NOK million</i>	Share capital	Share premium	Other paid-in capital	Other reserves	Retained earnings	Total equity of shareholders	Minority interests	Total equity
Equity as of 1 January 2007	454	268	3 000	11	2 349	6 082	64	6 146
Change in minority interest	-	-	-	-	-	-	-12	-12
Fair value changes	-	-	-	1	-	1	-	1
Net profit	-	-	-	-	417	417	-3	415
Translation differences	-	-	-	-349	0	-349	-2	-351
Dividend to shareholders	-	-	-	-	-400	-400	-	-400
Treasury shares	-20	-	-	-	-425	-445	-	-445
Equity as of 30 September 2007	434	268	3000	-337	1 940	5 305	48	5 353

<i>Amounts in NOK million</i>	Share capital	Share premium	Other paid-in capital	Other reserves	Retained earnings	Total equity of shareholders	Minority interests	Total equity
Equity as of 1 January 2007	454	268	3 000	11	2 349	6 082	64	6 146
Change in minority interest	-	-	-	-	-6	-6	-9	-15
Fair value changes	-	-	-	-13	-	-13	-	-13
Net profit	-	-	-	-	104	104	-13	91
Translation differences	-	-	-	-203	-	-203	-1	-204
Dividend to shareholders	-	-	-	-	-400	-400	-	-400
Treasury shares	-20	-	-	-	-425	-445	-	-445
Equity as of 31 December 2007	434	268	3 000	-205	1 622	5 119	41	5 160

Cash Flow (unaudited)¹⁾

Amounts in NOK million	Quarterly results					Year-to-date		Full year
	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	2007	2008	2007
CF from operations	2	-375	196	46	105	238	347	-137
+ Change in working capital	55	-442	384	-1 666	-713	203	-1 995	-239
= CF from operating activities	57	-817	580	-1 621	-607	441	-1 648	-376
+ CF from investing activities	98	-221	90	-120	670	-93	640	-314
+ CF from financing activities	-117	20	-2	228	-926	-767	-701	-747
Net increase/decrease in cash and cash equivalents	38	-1 018	668	-1 512	-864	-419	-1 708	-1 437
Effect of FX rate changes	-118	132	44	-42	154	-303	157	-172
Cash and cash equivalents at beginning of period	5 606	5 525	4 638	5 350	3 797	6 247	4 638	6 247
Cash and cash equivalents at end of period	5 525	4 638	5 350	3 797	3 087	5 526	3 087	4 638
Restricted cash at end of period	2 412	3 020	2 467	1 638	1 159	2 412	1 159	3 020

¹⁾ The statement includes cash flows from discontinued operations until July 28th 2008.

Working capital (unaudited)¹⁾

Amounts in NOK million	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08
Current operating assets	10 517	17 553	17 584	17 773	18 403
- Current operating liabilities	-8 302	-12 003	-9 636	-10 246	-10 048
- Construction loans	-3 569	-6 726	-9 216	-7 243	-7 752
= Net working capital	-1 354	-1 176	-1 268	285	603
+ Cash and bank deposits	4 584	3 831	4 380	2 924	3 087
+ Current interest-bearing receivables	230	351	114	104	94
= Total working capital	3 459	3 005	3 227	3 313	3 783

¹⁾ Amounts in 1Q, 2Q and 3Q 08 are related to continuing operations only. All amounts in previous quarters are reclassified to be comparable.

Net interest bearing liabilities (unaudited)¹⁾

Amounts in NOK million	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08
Long term interest-bearing liabilities	2 533	2 417	2 429	2 525	2 018
+ Short term interest-bearing liabilities (excl. construction loans)	706	894	891	1 014	665
- Long term interest-bearing receivables	-163	-35	-29	-38	-63
- Current interest-bearing receivables	-230	-351	-114	-104	-94
- Cash and bank deposits	-4 584	-3 831	-4 380	-2 924	-3 087
+ project related cash	2 109	2 761	2 195	2 266	2 487
= Net interest bearing liabilities	372	1 854	992	2 738	1 927

¹⁾ Amounts in 1Q, 2Q and 3Q 08 are related to continuing operations only. All amounts in previous quarters are reclassified to be comparable.

Business Area information (unaudited)¹⁾

Cruise & Ferries

Amounts in NOK million	Quarterly results					Year-to-date		Full year
	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	2007	2008	2007
Operating revenues	4 090	4 841	4 936	4 901	3 830	11 983	13 667	16 824
EBITDA	104	-447	150	161	133	272	444	-175
EBITDA-margin (%)	2,5 %	-9,2 %	3,0 %	3,3 %	3,5 %	2,3 %	3,2 %	-1,0 %
EBITA	49	-502	90	102	73	111	265	-392
EBIT before non recurring items	49	-503	89	100	72	106	261	-398
Order intake	239	1 088	-	132	3 124	13 426	3 256	14 514
Order backlog	41 655	39 254	34 218	28 990	29 472	41 655	29 472	39 254

Offshore & Specialized Vessels

Amounts in NOK million	Quarterly results					Year-to-date		Full year
	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	2007	2008	2007
Operating revenues	1 873	2 925	2 179	2 802	2 678	6 147	7 658	9 072
EBITDA	143	154	143	47	-84	396	107	550
EBITDA-margin (%)	7,6 %	5,3 %	6,6 %	1,7 %	-3,1 %	6,4 %	1,4 %	6,1 %
EBITA	118	129	118	22	-113	325	27	454
EBIT before non recurring items	118	127	117	22	-118	322	21	449
Order intake	4 190	2 262	870	388	4 221	12 663	5 479	14 925
Order backlog	26 526	26 300	25 120	24 129	25 955	26 526	25 955	26 300

Other Operations

Amounts in NOK million	Quarterly results					Year-to-date		Full year
	3Q 07	4Q 07	1Q 08	2Q 08	3Q 08	2007	2008	2007
Operating revenues	165	198	357	220	491	898	1 068	1 096
EBITDA	-109	-226	-83	-135	-4	-235	-221	-461
EBITA	-120	-236	-88	-142	-10	-269	-240	-505
EBIT before non recurring items	-124	-240	-89	-144	-7	-275	-240	-515
Order intake	30	-	-	72	-	157	72	157
Order backlog	2 840	2 606	2 212	2 092	1 564	2 840	1 564	2 606

¹⁾ Amounts in 1Q, 2Q and 3Q 08 are related to continuing operations only. All amounts in previous quarters are reclassified to be comparable.

Notes to the unaudited interim financial statements 3rd quarter 2008

Note 1 Reporting entity

STX Europe ASA is a company domiciled in Norway. The interim financial statements for the third quarter 2008 ended 30 September comprise STX Europe ASA and its subsidiaries (together referred to as the "Group" and the Group's interests in associates).

The consolidated financial statements of the Group as at and for the year ended 31 December 2007 are available at www.stxeurope.com.

Note 2 Statement of compliance

These interim financial statements 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 Group as at and for the year ended 31 December 2007.

These interim financial statements were approved by the Board of Directors 28 October 2008.

Note 3 Significant accounting principles

The accounting policies applied by the Group in these interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2007.

Note 4 Estimates

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in preparing these interim financial statements in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2007.

Note 5 Interest bearing loans

For interest bearing loan the following repayments and new debts were done in the third quarter of 2008;

<i>Amounts in NOK million</i>	3Q 2008	YTD 2008
Opening balance	3 539	3 311
Revolving credit facility	-480	-430
Short term loan STX Norway AS	-400	50
Repayment AKY01	-	-256
Net change other interest bearing debt	-7	-20
Currency translation	31	28
Closing balance	2 683	2 683

Definitions

EBITDA = Earnings before interest, tax, depreciation and intangible assets amortization

EBITA = Earnings before interest, tax and intangible assets amortization

EBIT = Earnings before interest and tax

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