Nothing comes for free  Page 2.
Our core values  — at the basis of everything we do.  Page 4.
A story about success  Page 6.
Nothing comes for free

I am proud to present the first edition of Prosafe NOW. Prosafe NOW will be distributed two – three times a year to our employees and business relations. We hope that the magazine will contribute to create a common identity in Prosafe across company and country borders. At the same time, we want to give our employees, their families and our business relations a better knowledge of Prosafe and the products and services we offer.
Prosafe’s vision is to be a leading and innovative supplier of products and services within selected niches of the global oil and gas industry. This is an ambitious vision, but we are well on the way, and we have achieved a lot over the last few years. Prosafe Offshore is the world’s leading owner and operator of semi-submersible service rigs. Prosafe Drilling Services is the largest player in platform drilling in Norway, and Prosafe Production is a leading owner and operator of floating production vessels outside the North Sea. We employ 1,600 employees world-wide and we had a turnover of NOK 2.4 billion in 2001 with operating profits of NOK 515 mill. In short, we are growing in a profitable manner and Prosafe is becoming truly international.

Prosafe has, in addition to its offices in Norway, Scotland, Singapore and USA, operations in the North Sea, Southeast Asia, India, Egypt, West Africa and the Gulf of Mexico. This implies that it isn’t easy for me to reach everybody as often as I should wish. However, I will use Prosafe NOW to strengthen the communication of our core values, goals and strategies, thereby creating a growing sense of a corporate identity and common interests with the Prosafe group of companies.

Prosafe had good earnings in the year 2001, and all our business areas have contributed to create these results. The rig utilisation in Prosafe Offshore was high, and we can already tell that the order backlog for 2002 is promising. Statoil’s award of the contract for subsea well intervention with MSV Regalia was a strategic breakthrough for Prosafe’s efforts in this new growth segment. We will continue to consider opportunities to develop a flexible fleet that can be utilised in new niches and geographical areas.

The acquisition of Nortrans Offshore (re-named Prosafe Production) has given us access to the Floating Production segment, a market that is growing rapidly. Prosafe Production was recently awarded a contract for the delivery and 8 years of operation of an FPSO to Agip’s Abo field in deep water offshore Nigeria. This represents a strategic breakthrough since West Africa is one of the most important areas for future FPSO developments. This contract also introduces us to new and important clients in the FPSO segment. Further contracts for FSO Endeavor for Hitech Drilling Services, FPSO Al Zaafaran for Zaafaran Oil Company, FPSO Ruby Princess for Petronas Carigali and FPSO Petroleo Nautipa for Vaalco confirm Prosafe’s position in this important market.

Autumn 2000, Prosafe Drilling Services was awarded the drilling contracts at Ringhorne for Esso and at Kvitbjørn for Statoil. In 2001, the company was awarded the extension of the maintenance and modification contract at Heidrun, as well as further platform drilling for Statoil at Gullfaks and Heidrun. Prosafe Drilling Services represents a solid base of knowledge for further development of existing activities and new drilling and well-related services.

The global offshore market is characterised by increased competition. Therefore, none of these contract awards should be taken for granted. They are the result of all employees’ hard and focused work over a long period of time. Our clients have shown confidence in Prosafe. Now, we must all contribute to retain and enhance that confidence.

We have worked hard in order to further improve the health, environment and safety results in the Prosafe group. The company has during the last three – four years reduced the Lost Time Injury frequency by 50 percent. Still, as long as we experience injuries and illness, it is not good enough. My goal is that all our employees shall return to their relatives as healthy as they were when they left for work.

In this first edition of Prosafe NOW, we have put emphasis on summarising the history of the company. A good common history of the company. A good common understanding of where we come from, where we are and where we are going, is an important basis for our further development. Thirty years ago, when the Moran Brothers came from Texas to Norway and laid the first foundation for Prosafe, we did not know much about oil production. Today, Prosafe is a major international offshore contractor. I know for certain that nothing has come for free. Our co-workers have worked hard and determined, and have created this progress through continuous efforts. That is a good starting point for further development of the company.

With kind regards,
Arne Austreid
President & CEO

Prosafe ASA has entered into an agreement with K/S Rasmussen Offshore A/S for the purchase of the semi-submersible accommodation and service rig Polyconcord. The rig is now being towed from Hanøytangen outside Bergen to the Gulf of Mexico. This acquisition supports Prosafe’s strategy of building a fleet of purpose-built semi-submersible accommodation and service rigs for the global deepwater segment. Prosafe will continue to evaluate opportunities to also utilise the vessels in other operating modes and/or other geographical regions outside the North Sea and the Gulf of Mexico in a longer term perspective.

Prosafe Offshore is the global market leader in semi-submersible accommodation/service rigs. After the latest acquisition, the company owns eight of the ten units available for service world-wide. One of the units is a multi-service rig that also can perform subsea well intervention.
Our core values, a personal map for everyday use

Many of those who see our core values for the first time, believe that we have composed them by using the company name Prosafe as a starting point. It is not that simple. Our core values are the result of 30 years of learning about our own organisation. We have seen that these simple words form the backbone in everything we stand for. Yes, we have chosen some words in order to make them easier to remember, but there is nothing wrong with that – on the contrary. The basis for our existence shall be easy to remember, in such way that it can guide us all from day to day. Our core values are not subject to annual negotiations or revisions. They shall survive everything. They have helped us to come where we are today, and they shall guide us on the way forward.

It is neither possible nor desirable to write procedures for all and everything. Within the frames of our governance systems, we want our employees to think themselves and to make decisions to the best of their judgement. However, this best judgement must be deeply rooted in the company’s core values. We have chosen not to write long explanations for what the core values shall mean in practice. We have not done that because it would be difficult and also undesirable, since the core values shall guide the decisions we make to the best of our judgement. I believe that neither culture nor geography shall be a barrier for making choices in accordance with our values. I venture to say that it is reasonably easy to find out whether fellow human beings and physical assets are being treated respectfully or not, and whether we work focused and in a safe way. It is also not difficult to distinguish between people with or without ambitions, or with or without interest in the external environment. Finally, innovation will be our best guarantee for a prosperous future and should therefore be reflected in continuous profitable operations and development.

Our core values are in many ways the company’s key success factors, the guiding tools by which we will successfully differentiate ourselves from our competitors. If somebody should find it handy to disregard the core values, they are not doing a good job for the company. In order to ensure that we shall not forget them, we have sent a poster with the core values to all our fixed installations, rigs, FPSOs, FSOs and offices all over the world. I would like to ask you to reflect on these simple, yet so important words. Start at the bottom and read to the top of the list, since profitability is the result of following up the other values. Think about how you can contribute to assure that these values are truly lived up to at your place of work. And – act according to that. We have every reason to be proud of being co-workers in Prosafe.
Prosafe’s Ambassador-prize

Prosafe ASA has established a prize that will be awarded to a single person, a group of employees, a department or an operation that through the previous year in an excellent way has promoted one or several of Prosafe’s core values.

The intention is to recognise those who through their activities contribute to build a corporate identity we all can be proud of.

The reward is a travelling trophy as well as a gift voucher. The person who submits the winning proposal will also receive a gift voucher.

Who should receive Prosafe’s Ambassador-prize for 2001?

In order to be able to highlight the efforts of those who have been true ambassadors for Prosafe, we ask you to send a well-founded proposal to:

Prosafe ASA
Attn.: Karine Cosemans
Fax no.: +47 51 64 25 66
e-mail: karine.cosemans@prosafecorp.com

by 15 May 2002

A “jury” consisting of Arne Austreid, Petter Tomren, Trygve Arnesen, Stig Christiansen, Bjørn Henriksen and Roy Hallås will evaluate all proposals.

The name of the winner(s) will be made public in the next edition of Prosafe NOW.
Prosafe – a story about success

The story about Prosafe is the story about one of the Norwegian oil industry’s most active and growth focused companies ever. From a relatively modest existence in the beginning of the seventies, through mergers, acquisitions and a demerger, the company has developed to become an international market leader within drilling and maintenance, service and accommodation rigs, and floating production.

The company has an exciting and dynamic, at times dramatic history. The company’s growth reflects the modern Norwegian industry’s development after the Norwegian Continental Shelf was opened for petroleum industry activities. At the same time, this is the story about some of the largest industry companies in Norway, since many of them in different ways have been involved as owners in the Tananger based company.

At the rudder during many of Prosafe’s most active years so far – Reidar Lund. President from 1986, and thereafter different positions in the corporate management. President from 1990, before he became executive chairman in 1999. Today, Reidar Lund is chairman of Prosafe, and he is the one who is now opening Prosafe’s history book. President & CEO Arne Austreid is managing the company’s day-to-day business.

The history about Prosafe starts in the early seventies

The origin is the American drilling company Moran Brothers that came to Norway on the back of Phillips Petroleum Company. The most important task of the Americans was to drill wells for Phillips at the pioneer field Ekofisk, south in the Norwegian part of the North Sea, where the oil age in Norway started. The activities at Ekofisk were comprehensive. Moran represented a top competence in the dawning Norwegian offshore business and stayed in Norway, primarily as Phillips Petroleum’s supplier of drilling services.

A part of the Norcem group

In 1972, the company took a more Norwegian name and further developed its activities as Morco Norge. The company’s drilling expertise remained not unnoticed in the business life at that time. Various industry companies saw good prospects in the oil adventure, provided that one had people with the required expertise. Therefore, nobody was particularly surprised when the Norwegian industry company Norcem became interested in Morco and acquired it at the end of the decade.

The company’s new name was Norcem Drilling. The owner and name change indicated the start of the company’s long and extensive development: from Norcem to Aker, before becoming a part of Transocean ASA at a later stage.

Phillips and Ekofisk remained for a while Norcem Drilling’s main client, but more and more developments on the Norwegian Continental Shelf implied new clients and new contracts. Early in the eighties, and in co-operation with Ross Drilling, the company was ready for a new challenge, this time for Elf. A while later, a new and very important contract came in addition to the previous ones, namely the drilling of the wells at Gullfaks. Norcem’s engagement in the offshore industry became increasingly larger. One of the company’s activities
was the Norsea base, another was the company Golar Nor and thereby the first experience with the rig market.

To diversify the company’s range of services and thereby reduce the risk attached to the business, was what Reidar Lund was most concerned about when he in 1986 took over as President of Norcem Drilling. Mr. Lund came from the rig business in the Swedish owned company Consafe. He was employed by Olav K. Christiansen, who was a central figure for Norcem’s joint offshore activities. Besides the work in connection with ensuring new contracts, Mr. Lund and his co-workers soon met big challenges. The first challenge was the merger between Aker and Norcem in 1988. Norcem Drilling’s activities, that in the middle of the eighties had an estimated value of NOK 300 million, would in the course of the coming years multiply their value.

Need to develop, the stock exchange became the solution

The merger between Norcem and Aker represented new growth opportunities for the company that had changed name to Aker Drilling. Reidar Lund had a central position in Aker’s different offshore-related companies and left there-by the daily round in the drilling business for a while. The growth in the Norwegian oil industry was strong, and when assessing the industry’s future, the company found that the demand for flexible rigs that could perform various tasks would increase. This last challenge, to be able to cover the demand for rigs, implied an increased commitment from Aker. Therefore, Reidar Lund asked Gerhard Heiberg, who at that time was chairman of Aker, to invest in this business segment. The answer from the group’s management was negative. Aker was in the process of buying a large cement mill in Great Britain, and Mr. Heiberg wanted to use the group’s financial resources in that connection.

In spite of the chairman’s view, Aker Drilling managed to acquire the required capital. The management proposed to quote the company on the stock exchange. Mr. Heiberg agreed to this, and when Aker Drilling was quoted on the Oslo Stock Exchange, the group remained a shareholder for a period of time, before they reduced their ownership and finally sold themselves out. For Reidar Lund, things were developing according to his wishes. He could now leave Aker’s offices in Oslo and return to his home county Rogaland. His vision was to build up Aker Drilling as Europe’s largest drilling contractor. This would be achieved through acquisitions and mergers during the coming years. The first opportunity for growth would turn up rather quickly.

Late in the eighties, Aker Drilling operated the rig Transocean 8 for Hydro in connection with the development of the Troll field. Transocean 8 was owned by the American company Transworld Drilling and the German companies Deutag, Preussag and Wintershall. Besides of Transocean 8, the company operated several jack-up rigs. In 1989, the American owners indicated that they wanted to withdraw themselves from the drilling business. Reidar Lund and Olav K. Christiansen, who at that time was chairman, saw an opportunity for growth for Aker Drilling. Together with representatives for the three German companies they travelled to the USA in order to negotiate the take-over of the rigs and the remaining business. What was about to happen in the USA, was more dramatic than Reidar Lund ever could have imagined. During the negotiations, it became clear that also the German owners wanted to withdraw themselves. This implied that Reidar Lund and his management were left with the whole company – provided that they were able to raise the required capital for the take-over. The telephone lines between USA and Norway were glowing red-hot during a couple of hectic days, and they raised NOK 1.2 billion during 48 hours. According to Dagens Næringsliv, a Norwegian finance paper, this was at that time the largest deal of its kind under the direction of a Norwegian company. The business that included rigs, operation offices, company name and employees, was split up, and the Norwegians took the activities they wanted to continue with. The company changed name to Transocean ASA and was in 1990 listed on the Oslo Stock Exchange.

To the USA – and home again

The following years were, as set out in the strategy, characterised by growth. Since Olav K. Christiansen was considered to be an “Aker man” and Aker sold itself out, barrister Ole Lund took over as chairman. Transocean merged with Ross Offshore and Wiliig in 1994 and
During the spring of 1999, it became clear that Ole Lund was to become the new chairman of Statoil, and it was Prosafe that had to find a replacement for him. For Reidar Lund, this was an opportunity to slightly withdraw himself, and he became executive chairman in Prosafe. Arne Austreid, who was the Managing Director of Transocean’s office in Norway, was employed in Prosafe in the beginning of 1998 as Vice President Marketing. With his broad and long experience from the company, Arne Austreid was the natural choice as the new President & CEO. Together with the rest of the management he continues to pursue the company’s strategy.

Close and good co-operation with the employees
During the next few years, Prosafe purchases more service rigs and acquires the Singapore based company Nortrans Offshore Ltd. in March 2001, thereby expanding the company’s activities to also include floating production. It also becomes clear that the market for subsea well intervention is a growth segment that Prosafe wants to pursue. For the time being, the story ends when the company in the summer of 2001 changes the names of its largest subsidiaries within drilling, offshore services and floating production: Procon Drilling Services AS becomes Prosafe Drilling Services AS, Safe Service Ltd becomes Prosafe Offshore Ltd and Nortrans Offshore becomes Prosafe Production Ltd.

–What do you remember best about your years in Prosafe?
With many years of experience from the industry, Reidar Lund is a source of histories and experience. But he remembers some things better than others.

–I would like to highlight two things. First of all the norwegianizing process that has taken place in the industry. Even though I have a feeling for the American's capability to throw themselves into work, a quality we can learn a lot from, there is no doubt that from a Norwegian point of view, it has been important to adapt the American offshore culture to our conditions. This applies especially for the working environment where safety and quality are two important elements. In addition, there has been an incredible technology development that has provided for the Norwegian offshore industry to become amongst the leading players in niche segments. The other condition, which according to my opinion has contributed to the development of the company, has been the company’s focus on organisational development and the company’s ability to adaptation. Here, the employees have truly understood how important it is to pull together towards a common goal. In relation to this, I would like to emphasise the good co-operation we always have had with the employees and their unions. Even though there have been quite a few tussles between us over the years, I am happy to be able to say that the employees have been a resource to have with us, both on the board and otherwise. I am also proud that we have never been involved in any labour disputes, says Reidar Lund.

–Prosafe’s history is characterised by mergers and acquisitions. Why has the company such strong focus on growth?
–Because our clients demand increasingly more and broader services. We must act in the dynamics that the market represents. We have been successful in our mergers and take-overs. From being a company valued at approximately NOK 300 million in 1986, we were estimated to be worth NOK 10 billion at the time of the merger with Sonat in 1996. It has been an interesting and exciting process. And – not the least: we have continuously focused on a controlled and marked adjusted development. It has also been part of the growth strategy to create a challenging work place that will attract the best human resources. For us, growth itself has not been a goal, but an instrument for obtaining the position of a world leader within the Norwegian oil industry. Mr. Ericsson was one of the owners of Consafe, the company that Reidar Lund left in 1986 in order to start working in Norcem Drilling. Ole Lund was chairman in Safe Offshore, and Gerhard Heiberg was President of the company. The merger between the two companies was a fact in May 1998. The company changed name to ProSafe. The new company continued its long-term expansion strategy, and merged the following months with the company Consafe Engineering Ltd. in Aberdeen, before merging with Discoverer ASA, that owned the two semi-submersible service rigs Jasminia and Safe Regency.

During a trip to Great Britain, Reidar Lund proposed to the Transocean management that he could contribute to sell the part of the company that focused on production drilling. No sooner said than done. Again, and as previously helped by his own network and Norwegian interests, the drilling business was sold, to rise again under the name Procon Offshore. The company was quoted on the Oslo Stock Exchange in 1997. Reidar Lund contacted Ole Lund, who was his first choice to become chairman of the board. Ole Lund’s generosity with respect to time, guidance and inspiration will always be remembered, not only by the management, but also by the union who benefited from his broad experience.

Procon Offshore had only just been established when the process of change was continued. Also this time the key word was merger, now with Safe Offshore, a company owned by the Swede J. Christer Ericsson. He was no stranger to Reidar Lund and the rest of the Norwegian oil industry. Mr. Ericsson was one of the owners of Consafe, the company that Reidar Lund left in 1986 in order to start working in Norcem Drilling. Ole Lund was chairman in Safe Offshore, and Gerhard Heiberg was President of the company. The merger between the two companies was a fact in May 1998. The company changed name to ProSafe. The new company continued its long-term expansion strategy, and merged the following months with the company Consafe Engineering Ltd. in Aberdeen, before merging with Discoverer ASA, that owned the two semi-submersible service rigs Jasminia and Safe Regency.

1995 respectively, Ole Lund handed over the chairmanship to Kristian Siem who was chairman in Wilrig when the company merged with Transocean.
Prosafe Production Ltd. is a leading owner and operator of floating production, storage and offloading vessels. The company owns/operates a fleet of 7 FPSO’s and FSO’s in Egypt, Vietnam, Indonesia and West Africa, and defines also Brazil, Gulf of Mexico, Australia and China as prioritised geographic areas.

- 1982: Established as Nortrans in Singapore
- 1985: First FPSO contract was awarded – acquisition and conversion of a 110,000 dwt. crude oil tanker
- 1993: Nortrans Engineering was established
- 1994: First FPSO contract award by Al Zaafarana Oil Company
- 1998: The company was quoted on the Oslo Stock Exchange
- 2001: Prosafe acquires Nortrans Offshore, and the company was renamed Prosafe Production Ltd.

Broader competence, in-house knowledge

- How will the company develop further?
  - Our competence within drilling and maintenance, service and accommodation rigs and floating production represents a broadness we believe there is a strong demand for in the international market. We represent today a uniform competence, and we will be able to handle most jobs within our competency areas. When it comes to operation and maintenance, the Norwegian Continental Shelf will continue to have a high activity level. Further, we believe that both Mexico, Brazil and the West Coast of Africa will be interesting areas in a longer-term perspective.
  - What about new acquisitions and mergers?
  - The present management has already shown that Prosafe will continue to be a company, an organisation – yes, a culture – searching for new challenges. In that perspective, mergers and acquisitions could of course be an instrument for growth. Regardless of what we do, it is however, the market and the possibilities there that will decide the direction. To build the company step-by-step will be our most important foundation, also in the future, says Reidar Lund.

Important milestones

Prosafe Production

Prosafe Production Ltd. is a leading owner and operator of floating production, storage and offloading vessels. The company owns/operates a fleet of 7 FPSO’s and FSO’s in Egypt, Vietnam, Indonesia and West Africa, and defines also Brazil, Gulf of Mexico, Australia and China as prioritised geographic areas.

- 1982: Established as Nortrans in Singapore
- 1985: First FPSO contract was awarded – acquisition and conversion of a 110,000 dwt. crude oil tanker
- 1993: Nortrans Engineering was established
- 1994: First FPSO contract award by Al Zaafarana Oil Company
- 1998: The company was quoted on the Oslo Stock Exchange
- 2001: Prosafe acquires Nortrans Offshore, and the company was renamed Prosafe Production Ltd.

Prosafe Offshore

Prosafe Offshore is the global market leader in semi-submersible accommodation and service rigs. The company owns 8 of the 10 units available for service world-wide. One of the units is a multi-service rig and can perform subsea well intervention and subsea construction in addition to accommodation.

- 1971: Consafe was established
- 1986: Union Bank of Switzerland purchases three of Consafe’s service rigs
- 1997: Safe Offshore was established and quoted on the Oslo Stock Exchange
- 1997: Merger between Safe Offshore and Procon Offshore. ProSafe is quoted on the Oslo Stock Exchange
- 1998: Prosafe merges with Discoverer ASA
- 1999: Prosafe purchases Polycrown
- 2000: Prosafe purchases MSV Regalia
- 2002: Prosafe purchases Polyconcord

Prosafe Drilling Services

Prosafe Drilling Services is the leading platform drilling contractor in the Norwegian sector of the North Sea. The company also provides maintenance and upgrade services. The company owns and operates the modularised lightweight rig Rubicon.

- 1972: Morco Norge AS was established. The company and its owners went through several mergers and demergers that also included name changes; Norcem Drilling, Aker Drilling, and finally a part of Transocean ASA.
- 1990: Transocean ASA was quoted on the Oslo Stock Exchange
- 1994: Merger with Ross Offshore. Drilling from fixed installations became an independent sub-sidiary; Transocean Petroleum Technology A/S (TPT)
- 1995: Merger with Wilrig
- 1996: Merger with Sonat Offshore
- 1997: Procon Offshore ASA was established after a demerger from Transocean ASA and was quoted on the Oslo Stock Exchange
# Health, Safety and Environment (HSE)

The Lost Time Injury (LTI) frequency (the number of lost time injuries per million hours) for the Prosafe group is now as low as 2.6. Prosafe has thereby in the course of the last 3 – 4 years reduced the lost time injury frequency by 50%. The drilling activities had an LTI frequency of 1.8 – which is the best result achieved ever.

<table>
<thead>
<tr>
<th>Days without LTI (per 31.12.01)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PDS Techn. Services SVG</td>
<td>1571</td>
</tr>
<tr>
<td>Petroleo Nautipa</td>
<td>1263</td>
</tr>
<tr>
<td>Heidrun Maint. &amp; Modif.</td>
<td>1261</td>
</tr>
<tr>
<td>Oseberg East</td>
<td>1188</td>
</tr>
<tr>
<td>Ruby Princess</td>
<td>1168</td>
</tr>
<tr>
<td>Jotun B</td>
<td>1145</td>
</tr>
<tr>
<td>Gulfaks C</td>
<td>957</td>
</tr>
<tr>
<td>Oseberg C</td>
<td>519</td>
</tr>
<tr>
<td>Rubicon</td>
<td>519</td>
</tr>
<tr>
<td>PDS Techn. Services BGO</td>
<td>496</td>
</tr>
<tr>
<td>Gulfaks A</td>
<td>495</td>
</tr>
<tr>
<td>Oseberg South</td>
<td>371</td>
</tr>
<tr>
<td>Snorre TLP</td>
<td>359</td>
</tr>
<tr>
<td>Troll A</td>
<td>273</td>
</tr>
<tr>
<td>Al Zaafarana</td>
<td>265</td>
</tr>
<tr>
<td>MSV Regalia</td>
<td>239</td>
</tr>
<tr>
<td>Endeavor</td>
<td>230</td>
</tr>
<tr>
<td>Snorre B</td>
<td>214</td>
</tr>
<tr>
<td>Gulfaks B</td>
<td>178</td>
</tr>
<tr>
<td>Safe Scandinavia</td>
<td>162</td>
</tr>
<tr>
<td>Espoir Ivoirien</td>
<td>101</td>
</tr>
<tr>
<td>PDS Cuttings re-injection</td>
<td>75</td>
</tr>
<tr>
<td>Heidrun TLP</td>
<td>70</td>
</tr>
</tbody>
</table>

...and the absence through illness has never been lower...
In 2001, the average absence through illness was 3.4%. The absence through illness has shown a falling trend over the past years.

Our clients recognise Prosafe’s HSE results
In the course of 2001, several of our clients have recognised the safe manner in which Prosafe performs its operations:

- Canadian Natural Resources awards Prosafe Production a safety award for excellent safety results and for the crew’s HSE attitudes on the FPSO Petroleo Nautipa.
- BP awards Prosafe Offshore a safety award for carrying out the project West of Shetland without any lost time injuries with the MSV Regalia.
- Statoil nominated Technical Services in Prosafe Drilling Services to an HSE award for their achievements at the Gulfaks C platform.

However, we will not rest on our laurels. Prosafe will through experience transfer within the company and through benchmarking towards other companies continue its efforts to further improve the HSE results. We are not satisfied before all employees return home as healthy as when they left...

LTI Frequency – No. of Lost Time Injuries per mill. worked hours 1995-2001

Absence through illness 1997-2001 (percent)
Several new contracts for Prosafe Production

Prosafe Production has won several contracts recently. In the beginning of January, the company received a Letter of Award for the provision of an FPSO for the Abo field offshore Nigeria. Agip operates the field with Shell and NAPIMS as partners.

Prosafe, who will apply the Suezmax Grey Warrior, will convert, operate and own the unit on a 100% basis. The Grey Warrior is the sister ship of Espoir Ivoirien, and project execution will build on past experience for conversion of this type of ships. The Abo contract has a fixed term of 8 years with two one-year options. Abo represents a strategic break-through for Prosafe in the FPSO segment. The field is located in deep waters of around 550 meters offshore Nigeria. Nigeria is one of the most important markets for future deepwater FPSO operations. Further, the contract introduces Prosafe to new and important clients in the FPSO segment – Agip and Shell.

FSO Endeavor
Prosafe Production was in the end of January awarded a one-year extension of the contract with HitTech Drilling Services India Limited for the use of the FSO Endeavor at the PY-3 field offshore India. The extension runs from 27 July 2002.

FPSO Al Zaafarana
In the beginning of November 2001, Prosafe Production received an extension of the operating contract for the FPSO Al Zaafarana from Zaafarana Oil Company. The extension period is four years, effective as from 1 November 2001.

After the conversion of the FPSO for the Abo field, Prosafe Production’s fleet will consist of 5 FPSO’s and 2 FSO’s. All vessels are secured employment for the years ahead.
Reidar Lund was elected Norwegian Chairman of the Year 2001

The Norwegian “Chairman of the Year” prize has been established through a co-operation between Ernst & Young, Gjensidige Nor Forsikring, Hartmark Consulting, Organisasjonen Lederne, SND, HP and Styreinformasjon as. In 2001, the prize was awarded for the second time.

Guidance through difficult years
The jury emphasised that Reidar Lund has guided Prosafe through three difficult years for the oil and gas industry, and that he enjoys great respect in the offshore industry. The jury is of the opinion that he draws upon the resources of the board members in the board’s day-to-day tasks, and that he is good at utilising the board’s joint expertise. They also highlight his ability to inspire, in addition to his contribution to positive development and financial results in the company.

In the traditional way
Reidar Lund feels himself that his common sense is his main quality. He has organised the board’s tasks in a rather traditional way, but emphasises the importance of being “hands-on”. Reidar Lund feels that the board shall be detailed, without being detail-oriented. The board in Prosafe has a flexible meeting structure, and often uses telephone conferences, which is possible because the administration in Prosafe facilitates for efficient decision making through thorough background material in the board papers.

Travelling sculpture
The prize is a 2 meter high sculpture, a commissioned work which will be displayed in the reception at Prosafe during one year. The artist Marian Heyerdahl has chosen to compose a cat-resembling sarcophagus, where the cat represents independence and a good hunter, the sarcophagus represents eternal life, the gold color stands for the winner metal, and the egg in mosaic is the symbol for the germ to new life.

Trygve Arnesen (44)
In October 2001, Trygve Arnesen assumed the position of President of Prosafe Offshore Ltd. in Aberdeen. Trygve Arnesen has been employed by Transocean since 1985 in a number of positions. He has been head of operations of Transocean Petroleum Technology, and President of Prosafe Drilling Services from May 1997 till October 2000.

Petter Tomren (49)
In April 2001, Petter Tomren was employed by Prosafe as President of Prosafe Drilling Services. Petter Tomren was previously employed by Statoil for 17 years until 1997 in a number of positions. He was Head of operations at Odfjell Drilling from 1997 till 2000 and Managing Director of SGR EmiTeam from 2000 till spring 2001.

Bjørn Henriksen (40)
In October 2001, Bjørn Henriksen assumed the position of President of Prosafe Production Ltd. in Singapore. Bjørn Henriksen has been employed by Transocean since 1992. He was CFO of Prosafe from 1997, and President of Prosafe Offshore Ltd. from November 1999 till October 2001.