

FOURTH QUARTER 2009

Financials

(Figures in brackets refer to the corresponding period of 2008)

Operating profit for 2009 came to USD 218.6 million (USD 232.2 million), which reflects that the utilisation rate for the rig fleet declined to 86 per cent (92 per cent). The main reason for the lower utilisation rate is that MSV *Regalia* was out of operation for over six months in 2009 due to a major refurbishment and life extension. The effect of the reduced utilisation was to some extent offset by higher day rates.

Due to IFRS requirements, the unrealised loss of USD 51.9 million on the shares in Prosafes Production Public Limited has been expensed in the income statement in the fourth quarter. This unrealised loss has in prior periods been charged directly to equity, and had therefore no effect on book equity in the fourth quarter. Book equity increased by USD 17.5 million during the fourth quarter after dividend payments of USD 27.8 million.

Net financial expenses for 2009 increased to USD 77.7 million (USD 76.8 million). Excluding the unrealised loss on shares, net financial expenses equalled USD 25.8 million. This improvement is attributable to lower interest expenses and a more favourable fair value adjustment of currency forwards in 2009 compared to 2008.

Taxes for 2009 amounted to USD 13.7 million (USD 9.4 million positive). This increase is due to a provision for tax on an unrealised currency gain in Norway. Net profit for 2009 equalled USD 127.2 million (USD 164.8 million excluding discontinued operations) and diluted earnings per share were USD 0.57 (USD 0.72 excluding discontinued operations). Excluding the reclassification of the unrealised loss on shares, net profit and earnings per share equalled USD 179 million and USD 0.80 respectively.

Operating profit for the fourth quarter came to USD 57.2 million (USD 65.6 million). This reduction is mainly due to a decline in rig utilisation to 84 per cent (88 per cent).

Safe Scandinavia completed its operation in the UK sector of the North Sea in early October. The rig was subsequently moved to Invergordon, Scotland.

Safe Concordia completed its assignment in Mexico early October. All other vessels have been fully utilised in the fourth quarter.

Net financial expenses for the fourth quarter were USD 65.0 million (USD 39.4 million), reflecting the reclassification of the unrealised loss on shares as described above. Net loss for the fourth quarter amounted to USD 8.5 million (net profit of USD 32.8 million), and earnings per share equalled minus USD 0.04 (USD 0.15).

Total assets at 31 December amounted to USD 1 355.5 million (USD 1 313.9 million), while the book equity ratio increased to 19.5 per cent (9.5 per cent).

The chairman of the board of directors, Mr Reidar Lund, has notified the election committee that he will resign from the board at the annual general meeting in May 2010.

Outlook

Safe Bristolja was operating in Mexico until the end of January 2010, and will mobilise to the North Sea to commence a contract for Nexen in April 2010.

Five of the company's rigs are bareboat chartered to Interpetroleum Services, operating for Pemex offshore Mexico. The contract for *Safe Lancja* was extended until mid April 2010 at an unchanged day rate.

Safe Esbjerg is operating for Mærsk Oil & Gas in the Danish North Sea until June 2011. *Safe Esbjerg* is planned to be out of operation for 60 days commencing 15 February 2010. *Safe Esbjerg* will undertake a Special Period Survey in addition to some refurbishment and steel work on the unit.

Safe Caledonia is operating for Total in the UK North Sea until September 2010.

MSV *Regalia* started operation for BP Norge at the Valhall field on 12 July 2009. This contract has a

firm duration until July 2011 with option periods of up to six months.

Safe Astoria started a contract for Shell in the Philippines early October. This contract has a firm duration until the beginning of June with a 30-day option.

Safe Scandinavia completed its 65-day contract with Shell in the beginning of October and is now anchored at Invergordon, Scotland. *Safe Scandinavia* has a firm contract with Statoil, six months commencing early May 2010 and six months commencing early April 2011.

Safe Concordia completed its assignment in Mexico early October 2009, and the vessel is currently being marketed for new employment.

Within the harsh and semi-harsh offshore environments where most of Prosafe's accommodation rigs operate, there is a good supply-demand balance and the number of new-builds to be delivered over the next few years is limited.

In the North Sea, the majority of the fixed installations is mature and requires greater maintenance and modifications to uphold production and safe operation. Increased recovery and tie-ins of satellite fields to existing installations have extended the lifetime for many fields in the North Sea. Therefore, we foresee a good outlook for modification and maintenance projects over the coming years. Prosafe has secured several contracts in the North Sea for 2010. We expect that several offshore projects in the North Sea will require additional accommodation in 2011 and 2012, and we foresee higher tender activity in 2010.

The market for semi-submersible accommodation rigs continues to be good in Mexico, where Pemex has high activity offshore in order to keep up production of the Cantarell field.

In summary, we expect a good long-term demand for semi-submersible accommodation rigs, with growth in activity in the North Sea from spring 2011 and in deepwater regions.

Larnaca, 17 February 2010

Reidar Lund
Chairman

Christian Brinch

Ronny Johan Langeland

Elin Nicolaisen

Michael Raymond Parker

Christakis Pavlou

Roger Cornish

Arne Austreid
President & CEO

INCOME STATEMENT

(Unaudited figures in USD million)	Note	Q4 09	Q3 09	Q4 08	2009	2008
Operating revenues		106.7	123.7	134.2	397.9	491.1
Operating expenses		(34.6)	(31.5)	(55.7)	(123.6)	(210.1)
Operating profit before depreciation		72.1	92.2	78.5	274.3	281.0
Depreciation		(14.9)	(15.1)	(12.9)	(55.7)	(48.8)
Operating profit		57.2	77.1	65.6	218.6	232.2
Interest income		0.1	0.0	0.8	0.4	4.0
Interest expenses		(11.6)	(10.7)	(13.6)	(44.8)	(57.1)
Other financial items	3	(53.5)	2.3	(26.6)	(33.3)	(23.7)
Net financial items		(65.0)	(8.4)	(39.4)	(77.7)	(76.8)
Profit before taxes		(7.8)	68.7	26.2	140.9	155.4
Taxes		(0.7)	(2.4)	6.6	(13.7)	9.4
Net profit from continuing operations		(8.5)	66.3	32.8	127.2	164.8
Net profit from discontinued operations		0.0	0.0	0.0	0.0	38.0
Net profit		(8.5)	66.3	32.8	127.2	202.8
Earnings per share		(0.04)	0.30	0.15	0.57	0.88
Diluted earnings per share		(0.04)	0.30	0.15	0.57	0.88
EPS from continuing operations		(0.04)	0.30	0.15	0.57	0.72
Diluted EPS from continuing operations		(0.04)	0.30	0.15	0.57	0.72

STATEMENT OF COMPREHENSIVE INCOME

(Unaudited figures in USD million)	Q4 09	Q3 09	Q4 08	2009	2008
Net profit for the period	(8.5)	66.3	32.8	127.2	202.8
Foreign currency translation	(0.3)	(6.2)	14.4	(13.6)	45.3
Revaluation hedging instruments	5.6	(3.1)	(36.3)	8.5	(41.5)
Revaluation shares	48.2	12.1	(21.1)	68.5	(68.5)
Other comprehensive income	53.5	2.8	(43.0)	63.4	(64.7)
Comprehensive income	45.0	69.1	(10.2)	190.6	138.1

BALANCE SHEET

(Unaudited figures in USD million)	31.12.09	30.09.09	31.12.08
Goodwill	226.7	226.7	226.7
Rigs	913.5	929.2	828.4
Other non-current assets	4.9	5.2	3.8
Total non-current assets	1 145.1	1 161.1	1 058.9
Cash and deposits	88.5	107.8	115.6
Other current assets	121.9	151.4	139.4
Total current assets	210.4	259.2	255.0
Total assets	1 355.5	1 420.3	1 313.9
Share capital	63.9	63.9	63.9
Other equity	200.0	182.5	60.7
Total equity	263.9	246.4	124.6
Interest-free long-term liabilities	100.4	117.5	107.9
Interest-bearing long-term debt	876.6	870.0	958.7
Total long-term liabilities	977.0	987.5	1 066.6
Other interest-free current liabilities	76.1	75.3	122.7
Current portion of long-term debt	38.5	111.1	0.0
Total current liabilities	114.6	186.4	122.7
Total equity and liabilities	1 355.5	1 420.3	1 313.9

CASH FLOW STATEMENT

(Unaudited figures in USD million)	Q4 09	Q3 09	Q4 08	2009	2008
Profit before taxes continuing operations	(7.8)	68.7	26.2	140.9	155.4
Profit before taxes discontinued operations	0.0	0.0	(0.3)	0.0	46.4
Unrealised currency (gain)/loss on debt	(5.1)	6.1	(11.8)	6.7	(17.3)
Depreciation	14.9	15.1	12.9	55.7	72.6
Financial income	(0.1)	0.0	(0.8)	(0.4)	(4.0)
Financial costs	11.6	10.7	13.6	44.8	57.1
Change in working capital	98.8	(48.7)	45.1	39.4	(33.1)
Other items from operating activities	(32.8)	10.1	(31.5)	(26.3)	(46.1)
Net cash flow from operating activities	79.5	62.0	53.4	260.8	231.0
Acquisition of tangible assets	1.1	(28.2)	(41.3)	(141.9)	(374.4)
Proceeds from sale of tangible assets	0.0	0.0	0.0	0.0	9.5
Net effect of spin-off of subsidiary	0.0	0.0	0.0	0.0	562.5
Buy-back of own shares	0.0	0.0	0.0	0.0	(49.2)
Translation difference financial assets	0.0	0.0	0.0	0.0	(18.4)
Interests received	0.1	0.0	0.8	0.4	4.0
Net cash flow from investing activities	1.2	(28.2)	(40.5)	(141.5)	134.0
Proceeds from new interest-bearing debt	92.9	0.6	10.0	133.5	1 166.5
Repayment of interest-bearing debt	(153.8)	(30.0)	(10.0)	(183.8)	(1 526.2)
Dividends paid	(27.5)	(13.2)	0.0	(51.3)	0.0
Interests paid	(11.6)	(10.7)	(13.6)	(44.8)	(51.7)
Net cash flow from financing activities	(100.0)	(53.3)	(13.6)	(146.4)	(411.4)
Net cash flow	(19.3)	(19.5)	(0.7)	(27.1)	(46.4)
Cash and deposits at beginning of period	107.8	127.3	116.3	115.6	162.0
Cash and deposits at end of period	88.5	107.8	115.6	88.5	115.6

STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in USD million)	Q4 09	Q3 09	Q4 08	2009	2008
Equity at beginning of period	246.4	190.5	134.2	124.6	1 038.6
Comprehensive income for the period	45.0	69.1	(10.2)	190.6	138.1
Dividends	(27.5)	(13.2)	0.0	(51.3)	(993.2)
Costs related to split	0.0	0.0	0.6	0.0	(9.7)
Buy-back of own shares	0.0	0.0	0.0	0.0	(49.2)
Equity at end of period	263.9	246.4	124.6	263.9	124.6

NOTES TO THE INTERIM ACCOUNTS

NOTE 1: GENERAL INFORMATION

Prosafe SE is a public limited company domiciled in Larnaca, Cyprus. Prosafe SE is listed on the Oslo Stock Exchange with ticker code PRS. The consolidated financial statements for the fourth quarter of 2009 were authorised for issue in accordance with a resolution of the board of directors on 17 February 2010. The accounting figures are unaudited.

NOTE 2: ACCOUNTING PRINCIPLES

This interim financial report has been prepared in accordance with International Financial Reporting Standards (IFRS), including IAS 34 Interim Financial Reporting. The accounting principles adopted are consistent with those of the previous financial year.

NOTE 3: SHARES IN PROSAFE PRODUCTION PUBLIC LIMITED

The annual general meeting adopted on 14 May 2008 to distribute 90.1 per cent of the shares in Prosafe Production Public Limited to the shareholders of Prosafe SE. Distribution of these shares took place on 27 May 2008. In accordance with IFRS, no gain was recognised from this distribution. As at 31 December 2009 the company owned 25 375 142 shares in Prosafe Production Public Limited corresponding to 9.94 per cent of the shares. The shares were initially recorded at the proportion of the carrying value of the discontinued operations. At 31 December 2009 the shares are valued at the share price prevailing on this date, NOK 12.45. The unrealised loss has previously been taken directly to equity, but has in the fourth quarter 2009 been taken through the income statement under 'other financial items' as the impairment is not considered to be temporary under IFRS. The shares in Prosafe Production Public Limited are included under 'other current assets' in the balance sheet.

KEY FIGURES	Q4 09	Q3 09	Q4 08	2009	2008
Operating margin	53.6 %	62.3 %	48.9 %	54.9 %	47.3 %
Equity ratio	19.5 %	17.3 %	9.5 %	19.5 %	9.5 %
Return on equity	-15.0 %	121.4 %	101.4 %	87.3 %	46.5 %
Net interest bearing debt (USD million)	826.6	873.3	843.1	826.6	843.1
Number of shares (1 000)	229 937	229 937	229 937	229 937	229 937
Average no. of outstanding shares (1 000)	222 942	222 935	222 928	222 935	227 667
USD/NOK exchange rate at end of period	5.78	5.78	7.00	5.78	7.00
Share price (NOK)	36.85	29.76	26.00	36.85	26.00
Share price (USD)	6.38	5.15	3.71	6.38	3.71
Market capitalisation (NOK million)	8 473	6 843	5 978	8 473	5 978
Market capitalisation (USD million)	1 466	1 184	854	1 466	854

NOTES TO KEY FIGURES

Operating margin = (Operating profit / Operating revenues) * 100

Equity ratio = (Equity / Total assets) * 100

Return on equity = Annualised [Net profit / Average book equity]

Net interest-bearing debt = Interest-bearing debt - Cash and deposits

SHAREHOLDERS AS AT 04.02.2010

	No. of shares	Ownership
Folketrygdfondet	24 689 135	10.7 %
Pareto	13 681 645	6.0 %
Brown Brothers Harriman	8 574 884	3.7 %
Clearstream Banking (nom.)	7 972 874	3.5 %
State Street Bank & Trust (nom.)	7 076 270	3.1 %
KAS Depository Trust (nom.)	7 060 995	3.1 %
Prosafe SE	6 994 355	3.0 %
DnBNOR	5 601 498	2.4 %
JP Morgan Chase Bank (nom.)	5 495 008	2.4 %
BGL BNP Paribas	5 435 202	2.4 %
Total 10 largest	92 581 866	40.3 %

Total no. of shares: 229 936 790