



THIRD QUARTER 2010

Financials

(Figures in brackets refer to the corresponding period of 2009)

Operating profit for the third quarter amounted to USD 83.0 million (USD 77.1 million), which is the best quarterly result ever for Prosafe. Utilisation of the rig fleet was 80 per cent (96 per cent). The main contributing factor to the improved result is higher day rates.

Safe Lancia was in operation in Mexico until 6 August, and commenced a new contract in Mexico on 19 August.

Safe Caledonia was in operation until mid-September, whereas Safe Concordia and Safe Astoria were idle in the third quarter.

All other eight rigs have been fully utilised in the third quarter.

Net financial costs amounted to USD 6.4 million (USD 8.4 million). This improvement reflects a higher increase in market value of currency forwards.

Taxes amounted to USD 4.6 million (USD 2.4 million), and net profit equalled USD 72.0 million (USD 66.3 million), corresponding to diluted earnings per share of USD 0.32 (USD 0.30).

Total assets at 30 September amounted to USD 1 389.7 million (USD 1 420.3 million), while the book equity ratio increased to 28.8 per cent (17.3 per cent).

Dividend

The Board of Directors resolved on 3 November 2010 to declare an interim dividend equivalent to USD 0.095 per share to shareholders of record as of 15 November 2010. The shares will trade ex-dividend on 11 November 2010. The dividend will be paid in the form of NOK 0.55 per share on 25 November 2010.

Outlook

Five of Prosafe's rigs are bareboat chartered to Interpetroleum Services, operating for Pemex offshore Mexico. These five rigs have firm contracts as follows: Safe Lancia until December 2012, Jasminia until June 2011, Safe Hibernia until May 2011, Safe Britannia until January 2013 and Safe Regency until August 2013.

Safe Esbjerg is operating for Maersk in the Danish North Sea until June 2011.

Safe Caledonia will commence on a contract with BG in the UK North Sea in the beginning of March 2011.

MSV Regalia is operating for BP in the Norwegian North Sea. The contract with BP has a firm duration until July 2011. On request from BP, MSV Regalia is going to be temporarily changed out with Safe Scandinavia from mid-November through to mid-March.

Safe Scandinavia has a 6 month firm contract with Statoil commencing early April 2011.

Safe Concordia has been awarded a Letter of Intent by Petróleo Brasileiro S.A. (Petrobras) for a three year period, planned to commence early in the second quarter of 2011.

Safe Bristolia and Safe Astoria are currently idle.

In the North Sea, the majority of fixed installations are mature and require both maintenance and modifications to keep up production and ensure safe operations. Improved oil recovery (IOR) projects 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, IOR and maintenance projects over the coming years.

During the last two quarters we have seen several contract awards for accommodation work in the North Sea for 2011 and 2012.

Going forward, we see potential projects requiring additional accommodation in the North Sea in 2011, 2012 and 2013.

The market for semi-submersible accommodation rigs is still strong in Mexico, where Pemex has high offshore activity in order to keep up production at the Cantarell field. Prosafe has five rigs operating in Mexico and we expect a stable development going forward.

During the third quarter, we have seen two awards for semi-submersible rigs offshore

Brazil. These awards confirm that Brazil is a growing market for safety and maintenance support services.

Within the harsh and semi-harsh offshore environments where most of Prosafe's accommodation rigs operate, there is a good supply-demand balance.

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

Larnaca, 3 November 2010

Michael Raymond Parker
Chairman

Christian Brinch

Ronny Johan Langeland

Elin Nicolaisen

Christakis Pavlou

Roger Cornish

Karl Ronny Klungvedt
CEO

INCOME STATEMENT

(Unaudited figures in USD million)	Note	Q3 10	Q2 10	Q3 09	YTD 10	YTD 09	2009
Operating revenues		140.4	139.3	123.7	367.1	291.2	397.9
Operating expenses		(41.7)	(44.2)	(31.5)	(117.9)	(89.0)	(123.6)
Operating profit before depreciation		98.7	95.1	92.2	249.2	202.2	274.3
Depreciation		(15.7)	(15.4)	(15.1)	(46.5)	(40.8)	(55.7)
Operating profit		83.0	79.7	77.1	202.7	161.4	218.6
Interest income		0.1	0.0	0.0	0.2	0.3	0.4
Interest expenses		(10.8)	(10.7)	(10.7)	(32.4)	(33.2)	(44.8)
Other financial items		4.3	(1.2)	2.3	1.5	20.2	(33.3)
Net financial items		(6.4)	(11.9)	(8.4)	(30.7)	(12.7)	(77.7)
Profit before taxes		76.6	67.8	68.7	172.0	148.7	140.9
Taxes		(4.6)	1.9	(2.4)	(3.5)	(13.0)	(13.7)
Net profit		72.0	69.7	66.3	168.5	135.7	127.2
Earnings per share		0.32	0.31	0.30	0.76	0.61	0.57
Diluted earnings per share		0.32	0.31	0.30	0.76	0.61	0.57

STATEMENT OF COMPREHENSIVE INCOME

(Unaudited figures in USD million)		Q3 10	Q2 10	Q3 09	YTD 10	YTD 09	2009
Net profit for the period		72.0	69.7	66.3	168.5	135.7	127.2
Foreign currency translation		(5.4)	4.3	(6.2)	0.9	(13.3)	(13.6)
Revaluation hedging instruments		0.0	(0.3)	(3.1)	(1.5)	2.9	8.5
Revaluation shares	3	13.0	(11.4)	12.1	10.1	20.3	68.5
Other comprehensive income		7.6	(7.4)	2.8	9.5	9.9	63.4
Comprehensive income		79.6	62.3	69.1	178.0	145.6	190.6

BALANCE SHEET

(Unaudited figures in USD million)		30.09.10	30.06.10	31.12.09	30.09.09
Goodwill		226.7	226.7	226.7	226.7
Rigs		891.4	902.9	913.5	929.2
Other non-current assets		4.4	4.5	4.9	5.2
Total non-current assets		1 122.5	1 134.1	1 145.1	1 161.1
Cash and deposits		108.8	89.6	88.5	107.8
Assets held for sale		64.8	51.8	54.7	60.2
Other current assets	3	93.6	88.6	67.2	91.2
Total current assets		267.2	230.0	210.4	259.2
Total assets		1 389.7	1 364.1	1 355.5	1 420.3
Share capital		63.9	63.9	63.9	63.9
Other equity		336.4	278.4	200.0	182.5
Total equity		400.3	342.3	263.9	246.4
Interest-free long-term liabilities		114.3	108.3	100.4	117.5
Interest-bearing long-term debt		815.6	807.0	876.6	870.0
Total long-term liabilities		929.9	915.3	977.0	987.5
Other interest-free current liabilities		59.5	56.5	76.1	75.3
Current portion of long-term debt		0.0	50.0	38.5	111.1
Total current liabilities		59.5	106.5	114.6	186.4
Total equity and liabilities		1 389.7	1 364.1	1 355.5	1 420.3

CASH FLOW STATEMENT

(Unaudited figures in USD million)	Q3 10	Q2 10	Q3 09	YTD 10	YTD 09	2009
Profit before taxes	76.6	67.8	68.7	172.0	148.7	140.9
Unrealised currency (gain)/loss on debt	8.6	(7.2)	6.1	(1.5)	11.8	6.7
Depreciation	15.7	15.4	15.1	46.5	40.8	55.7
Financial income	(0.1)	0.0	0.0	(0.2)	(0.3)	(0.4)
Financial costs	10.8	10.7	10.7	32.4	33.2	44.8
Change in working capital	(15.0)	(48.6)	(48.7)	(53.1)	(59.4)	39.4
Other items from operating activities	9.0	2.5	10.1	19.9	6.5	(26.3)
Net cash flow from operating activities	105.6	40.6	62.0	216.0	181.3	260.8
Acquisition of tangible assets	(4.1)	(9.8)	(28.2)	(23.9)	(143.0)	(141.9)
Interests received	0.1	0.0	0.0	0.2	0.3	0.4
Net cash flow from investing activities	(4.0)	(9.8)	(28.2)	(23.7)	(142.7)	(141.5)
Proceeds from new interest-bearing debt	0.0	0.0	0.6	30.0	40.6	133.5
Repayment of interest-bearing debt	(50.0)	(10.0)	(30.0)	(128.0)	(30.0)	(183.8)
Dividends paid	(21.6)	(20.0)	(13.2)	(41.6)	(23.8)	(51.3)
Interests paid	(10.8)	(10.7)	(10.7)	(32.4)	(33.2)	(44.8)
Net cash flow from financing activities	(82.4)	(40.7)	(53.3)	(172.0)	(46.4)	(146.4)
Net cash flow	19.2	(9.9)	(19.5)	20.3	(7.8)	(27.1)
Cash and deposits at beginning of period	89.6	99.5	127.3	88.5	115.6	115.6
Cash and deposits at end of period	108.8	89.6	107.8	108.8	107.8	88.5

STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in USD million)	Q3 10	Q2 10	Q3 09	YTD 10	YTD 09	2009
Equity at beginning of period	342.3	300.0	190.5	263.9	124.6	124.6
Comprehensive income for the period	79.6	62.3	69.1	178.0	145.6	190.6
Dividends	(21.6)	(20.0)	(13.2)	(41.6)	(23.8)	(51.3)
Equity at end of period	400.3	342.3	492.8	400.3	246.4	263.9

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 third quarter of 2010 were authorised for issue in accordance with a resolution of the board of directors on 3 November 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

As at 30 September 2010 the company owned 25 375 142 shares in Prosafe Production Public Limited (PROD) corresponding to 9.94 per cent of the shares. The shares are valued at the share price prevailing on this date, NOK 14.90, and the increase in market value since year-end has been taken directly to equity. The shares are included under 'other current assets' in the balance sheet. In October, the company has exchanged the shares in PROD for 1.2 shares in BW Offshore Ltd (BWO) plus a cash consideration of NOK 3 per share in PROD, and subsequently sold the shares in BWO. These transactions will have a profit contribution of USD 23.7 million in the fourth quarter.

KEY FIGURES	Q3 10	Q2 10	Q3 09	YTD 10	YTD 09	2009
Operating margin	59.1 %	57.2 %	62.3 %	55.2 %	55.4 %	54.9 %
Equity ratio	28.8 %	25.1 %	17.3 %	28.8 %	17.3 %	19.5 %
Return on equity	86.7 %	92.0 %	121.4 %	67.7 %	97.5 %	87.3 %
Net interest bearing debt (USD million)	706.8	767.4	873.3	706.8	873.3	826.6
Number of shares (1 000)	229 937	229 937	229 937	229 937	229 937	229 937
Average no. of outstanding shares (1 000)	222 942	222 942	222 935	222 942	222 935	222 935
USD/NOK exchange rate at end of period	5.84	6.50	5.78	5.84	5.78	5.78
Share price (NOK)	36.22	26.20	29.76	36.22	29.76	36.85
Share price (USD)	6.20	4.03	5.15	6.20	5.15	6.38
Market capitalisation (NOK million)	8 328	6 024	6 843	8 328	6 843	8 473
Market capitalisation (USD million)	1 427	927	1 184	1 427	1 184	1 466

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 25.10.2010

	No. of shares
Folketrygdfondet	16 995 735
Pareto	14 232 530
KAS Depository Trust (nom.)	10 621 390
State Street Bank & Trust (nom.)	10 463 706
Brown Brothers Harriman	8 149 653
Prosafe SE	6 994 355
Clearstream Banking (nom.)	6 768 622
JP Morgan Chase Bank (nom.)	6 356 000
Goldman Sachs	5 857 473
Odin	5 379 800
Total 10 largest	91 819 264

Total no. of shares: 229 936 790