

FOURTH QUARTER 2011

Financials

(Figures in brackets refer to the corresponding period of 2010)

Full year 2011

Operating profit for 2011 came to USD 192.3 million (USD 221.1 million), whereas the utilization of the rig fleet rose to 80 per cent (75 per cent). The lower result is mainly a reflection of lower contribution from Safe Bristolia, which has been on a bareboat charter in the Gulf of Mexico since May 2011 and Safe Astoria, which has been idle throughout 2011. These effects have been partly compensated by higher contribution from Safe Caledonia, Safe Concordia and Safe Scandinavia.

Net financial expenses for 2011 amounted to USD 35.2 million (USD 18.9 million). The 2011 figures include a net gain of USD 10.2 million on the sale of the shares in Floatel International and a write-off of USD 4.5 million of non-amortised borrowing costs relating to the previous credit facility, which was refinanced in the third quarter. The 2010 figures include a gain of USD 23.7 million on the sale of the shares in Prosafe Production Public Limited and BW Offshore Limited.

Net profit for 2011 equalled USD 158 million (USD 198.5 million) and diluted earnings per share were USD 0.71 (USD 0.89).

Fourth quarter 2011

Operating profit for the fourth quarter came to USD 51.8 million (USD 18.4 million). This improvement is mainly due to a rise in rig utilization to 80 per cent (61 per cent).

Safe Caledonia, Safe Lancia, Jasminia, Safe Hibernia, Safe Britannia, Safe Regency, Safe Bristolia have been fully utilized in the fourth quarter.

Safe Concordia was off-hire for five days due to smaller modifications of the DP system. Safe Scandinavia commenced operations at the Valhall field in October. Prior to contract start, the rig had a brief yard stay to adjust the gangway pedestal to fit with the landing height on Valhall. Together with normal mobilization procedures, this implied that the rig was out of operation for 21 days. Regalia commenced the contract with Talisman at the Yme field in Norway on 1 November, after completing operations at the Valhall field in mid-October. In total, Regalia was off-hire for 11 days in the fourth quarter. Safe Astoria and Safe Esbjerg were idle in the fourth quarter.

Net financial expenses for the fourth quarter were USD 14.8 million (USD 11.8 million positive). The fourth quarter 2010 figures include a gain of USD 23.7 million as described above.

Net profit for the fourth quarter amounted to USD 36.5 million (USD 30 million), and earnings per share equalled USD 0.16 (USD 0.13).

Total assets at 31 December amounted to USD 1 376.1 million (USD 1 266.4 million), and the book equity ratio rose to 33.6 per cent (32.4 per cent).

Dividend

The Board of Directors resolved on 29 February 2012 to declare a quarterly dividend equivalent to USD 0.133 per share to shareholders of record as of 9 March 2012. The shares will trade ex-dividend on 7 March 2012. The dividend will be paid in the form of NOK 0.74 per share on 21 March 2012.

The resolved dividend is in line with the policy of paying out up to 75 per cent of the previous year's net profit divided into quarterly payments, i.e. it has been based on the 2011

earnings per share of USD 0.71.

Revision of depreciation plan

Based on the current condition of the rigs and the planned maintenance programme, the depreciation plan for five of the rigs operating in the Gulf of Mexico has been revised. With effect from 1 January 2012, the remaining depreciation period of these five rigs has been increased to ten years from an average of four years previously. The impact of this change is an estimated annual reduction in depreciation of USD 5 million.

New build

Prosafe announced on 14 December 2011 that the company has entered into a turnkey contract for the construction of a semi-submersible accommodation rig at Jurong Shipyard Pte Ltd. in Singapore.

The new unit will be the most advanced and efficient harsh environment accommodation rig in the world and will be constructed to comply with Norwegian regulations. The rig will be constructed according to the GVA 3000E design and will be equipped with a DP3 (dynamic positioning) system as well as 12-point mooring arrangement. This will allow for operations in harsh environments both in DP and anchored mode, providing maximum cost efficiency and flexibility.

The unit will have the capacity to accommodate 450 persons in single man cabins for operation on the Norwegian Continental Shelf. Delivery from the yard is scheduled for the second quarter of 2014 and all-in cost including yard cost, owner-furnished equipment, project management and financing is estimated at USD 350 million. 20 per cent of the yard cost was paid at signing of the contract, while the remaining 80 per cent will be paid at delivery. The investment can be funded over the current balance sheet without impacting the dividend policy. The contract with Jurong also includes options for two more units, valid for approximately 12 and 18 months, respectively.

With the addition of the new harsh environment rig, Prosafe reinforces its leading position in

the high-end accommodation rig segment, strengthening the company's ability to meet clients' needs related to increasingly complex operations in a growing market.

Outlook

Six of Prosafe's rigs are on bareboat charters in Mexico for end-user Pemex. The six rigs have firm contracts as follows: Safe Hibernia until December 2013, Safe Lancia until end-December 2012, Jasminia until end-December 2012, Safe Britannia until mid-January 2013, Safe Bristolia until end-March 2013 and Safe Regency until beginning of August 2013.

Safe Caledonia is operating for BG in the UK North Sea until end of March 2012.

Regalia is scheduled to operate for Talisman at the Yme field in Norway until end of August 2012.

Safe Scandinavia is operating for BP in Norway until end of March 2012. In May 2012 the rig is scheduled to commence operation for ConocoPhillips in Norway and thereafter moving to the UK North Sea with a firm contract until October 2012 and options until December 2012.

In the second quarter 2011 Safe Concordia commenced on a three-year contract with Petrobras in Brazil.

Safe Astoria has a 150-days contract with Woodside in Australia commencing between April and May 2012. In addition Prosafe has granted two one-month options.

Safe Esbjerg is currently idle. The rig is mainly being marketed for North Sea work.

Historically around 80 per cent of Prosafe's contracts have been related to oil and gas fields already in production. The accommodation rigs are typically assisting in connection with maintenance and modifications of production facilities, IOR projects, field redevelopments and tie-ins of new wells to existing facilities. Consequently, the bulk of the demand for offshore accommodation units tends to come from mature areas. Prosafe operates in the high end of the accommodation rig segment and is mainly working in areas where weather conditions or other factors favour the use of

high-end semi rigs, typically the North Sea, Mexico and Brazil.

The demand in the North Sea is expected to be strong for at least the next couple of years. The number of concrete prospects is on a high level and no new supply is scheduled to arrive until 2014.

Most of the demand in the North Sea is driven by field redevelopments and modifications of existing production infrastructure. However, an increased amount of new finds lately bodes well for growing activity related to hook-up and commissioning work as well.

The demand in the Mexican market has been stable for a number of years. The rigs are all working on the Cantarell field assisting on maintenance and construction projects and the units play a vital role in the efforts of keeping up production at the field. Consequently,

demand for accommodation semis in Mexico is anticipated to remain stable over the coming years. As such, the Board is reasonably optimistic with regards to renewals of the three contracts that expire around year-end 2012.

The accommodation demand offshore Brazil currently comes from the Campos basin, where accommodation units are assisting in connection with maintenance of FPSOs and fixed installations. Longer term it is expected that there will be more accommodation demand in other basins offshore Brazil.

There has also been a positive development in markets where semi accommodation rigs traditionally have not been widely used. Both the Australian and Asian markets appear promising and a number of concrete prospects have been identified.

Larnaca, 29 February 2012

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CONSOLIDATED INCOME STATEMENT

(Unaudited figures in USD million)	Note	Q4 11	Q3 11	Q4 10	2011	2010
Operating revenues		121.7	131.8	75.3	449.6	442.4
Operating expenses		(53.2)	(45.8)	(41.4)	(192.0)	(159.3)
Operating profit before depreciation		68.5	86.0	33.9	257.6	283.1
Depreciation		(16.7)	(17.0)	(15.5)	(65.3)	(62.0)
Operating profit		51.8	69.0	18.4	192.3	221.1
Interest income		0.1	0.1	0.1	0.3	0.3
Interest expenses		(11.9)	(10.4)	(10.5)	(42.4)	(42.9)
Other financial items	3	(3.0)	3.9	22.2	6.9	23.7
Net financial items		(14.8)	(6.4)	11.8	(35.2)	(18.9)
Profit before taxes		37.0	62.6	30.2	157.1	202.2
Taxes		(0.5)	0.2	(0.2)	0.9	(3.7)
Net profit		36.5	62.8	30.0	158.0	198.5
EPS		0.16	0.28	0.13	0.71	0.89
Diluted EPS		0.16	0.28	0.13	0.71	0.89

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited figures in USD million)	Q4 11	Q3 11	Q4 10	2011	2010
Net profit for the period	36.5	62.8	30.0	158.0	198.5
Foreign currency translation	5.1	3.6	0.0	(0.1)	0.9
Revaluation hedging instruments	3.7	(6.1)	10.3	0.7	8.8
Revaluation shares	0.0	0.0	(10.1)	0.0	0.0
Other comprehensive income	8.8	(2.5)	0.2	0.6	9.7
Comprehensive income	45.3	60.3	30.2	158.6	208.2

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in USD million)	Note	31.12.11	30.09.11	31.12.10
Goodwill		226.7	226.7	226.7
Rigs		893.7	910.4	898.8
Prepayment new build		58.3	0.0	0.0
Other non-current assets		5.1	4.9	4.5
Total non-current assets		1 183.8	1 142.0	1 130.0
Cash and deposits		93.4	83.6	98.3
Other current assets		98.9	98.9	38.1
Total current assets		192.3	182.5	136.4
Total assets		1 376.1	1 324.5	1 266.4
Share capital		63.9	63.9	63.9
Other equity		397.9	389.7	346.4
Total equity		461.8	453.6	410.3
Interest-free long-term liabilities		68.3	81.4	77.5
Interest-bearing long-term debt		756.9	691.2	705.4
Total long-term liabilities		825.2	772.6	782.9
Other interest-free current liabilities		85.5	94.7	73.2
Current portion of long-term debt		3.6	3.6	0.0
Total current liabilities		89.1	98.3	73.2
Total equity and liabilities		1 376.1	1 324.5	1 266.4

CONSOLIDATED CASH FLOW STATEMENT

(Unaudited figures in USD million)	Q4 11	Q3 11	Q4 10	2011	2010
Profit before taxes	37.0	62.6	30.2	157.1	202.2
Unrealised currency (gain)/loss on debt	(4.3)	(14.4)	(0.2)	(9.0)	(1.7)
Depreciation	16.7	17.0	15.5	65.3	62.0
Financial income	(0.1)	(0.1)	(0.1)	(0.3)	(0.3)
Financial costs	11.9	10.4	10.5	42.4	42.9
Change in working capital	(9.2)	21.5	123.9	(48.5)	80.9
Other items from operating activities	(4.8)	0.1	(36.8)	(7.7)	(16.9)
Net cash flow from operating activities	47.2	97.1	143.0	199.3	369.1
Acquisition of tangible assets	(58.5)	(3.4)	(23.0)	(119.1)	(46.9)
Interests received	0.1	0.1	0.1	0.3	0.3
Net cash flow from investing activities	(58.4)	(3.3)	(22.9)	(118.8)	(46.6)
Proceeds from new interest-bearing debt	80.0	650.0	20.0	870.4	50.0
Repayment of interest-bearing debt	(10.0)	(700.0)	(130.0)	(806.3)	(258.0)
Dividends paid	(37.1)	(37.0)	(20.2)	(107.1)	(61.8)
Interests paid	(11.9)	(10.4)	(10.5)	(42.4)	(42.9)
Net cash flow from financing activities	21.0	(97.4)	(140.7)	(85.4)	(312.7)
Net cash flow	9.8	(3.6)	(20.6)	(4.9)	9.8
Cash and deposits at beginning of period	83.6	87.2	118.9	98.3	88.5
Cash and deposits at end of period	93.4	83.6	98.3	93.4	98.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in USD million)	Q4 11	Q3 11	Q4 10	2011	2010
Equity at beginning of period	453.6	430.3	400.3	410.3	263.9
Comprehensive income for the period	45.3	60.3	30.2	158.6	208.2
Dividends	(37.1)	(37.0)	(20.2)	(107.1)	(61.8)
Equity at end of period	461.8	453.6	410.3	461.8	410.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 2011 were authorised for issue in accordance with a resolution of the board of directors on 29 February 2012. 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: SALE OF SHARES IN FLOATEL INTERNATIONAL LTD

In July 2011 the Company acquired 21 542 568 shares in Floatel International Ltd (Floatel), which equalled around 22.2 per cent of the shares. The acquisition price was NOK 16 per share. In August, Floatel announced that the company had signed a heads of agreement to enter into an amalgamation agreement with Aqua Pellentesque Ltd. The shares were realised in September 2011, and the Company received a cash consideration of NOK 19.50 per share. A net gain of USD 10.2m was recognised under 'other financial items' in the third quarter.

KEY FIGURES	Q4 11	Q3 11	Q4 10	2011	2010
Operating margin	42.6 %	52.4 %	24.4 %	42.8 %	50.0 %
Equity ratio	33.6 %	34.2 %	32.4 %	33.6 %	32.4 %
Return on equity	33.5 %	58.2 %	35.6 %	36.2 %	58.9 %
Net interest bearing debt (USD million)	667.1	611.2	607.1	667.1	607.1
Number of shares (1 000)	229 937	229 937	229 937	229 937	229 937
Average no. of outstanding shares (1 000)	222 950	222 949	222 942	222 949	222 942
USD/NOK exchange rate at end of period	5.99	5.84	5.86	5.99	5.86
Share price (NOK)	40.99	38.39	46.40	40.99	46.40
Share price (USD)	6.84	6.57	7.92	6.84	7.92
Market capitalisation (NOK million)	9 425	8 827	10 669	9 425	10 669
Market capitalisation (USD million)	1 573	1 512	1 821	1 573	1 821

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 13.02.2012

	No. of shares
Folketrygdfondet	18 317 591
State Street Bank & Trust (nom)	15 908 822
Pareto	12 055 818
KAS Dep. Trust (nom)	9 675 948
State Street Bank & Trust (nom)	8 976 749
Fidelity	7 900 000
Clearstream Banking (nom)	7 793 282
Goldman Sachs (nom)	7 450 168
Prosafe SE	6 975 818
JP Morgan Chase Bank (nom)	6 966 998
Total 10 largest	112 531 757

Total no. of shares: 229 936 790