

THIRD QUARTER 2012

Financials

(Figures in brackets refer to the corresponding period of 2011)

Operating profit for the third quarter amounted to USD 66.5 million (USD 69.0 million). Utilisation of the rig fleet was 85 per cent (91 per cent). The main reason for the reduction in operating profit is the lower utilisation.

Safe Scandinavia, Safe Concordia, Safe Astoria, Safe Lancia, Jasminia, Safe Hibernia, Safe Britannia, Safe Regency and Safe Bristolia have been on contract throughout the third quarter.

Safe Concordia is operating on a long-term contract in Brazil. In the third quarter the average effective day rate was approximately USD 136 000.

Safe Scandinavia was in full operation during the third quarter.

Regalia was in operation at Yme until 31 August.

Safe Astoria continued its operation in Australia throughout the third quarter.

Safe Caledonia remained at the yard throughout the third quarter undertaking a life extension upgrade.

Safe Esbjerg was divested on 7 August 2012. A gain of USD 4.8 million has been recognised as operating revenue in the quarter.

Net financial costs amounted to USD 13.7 million (USD 6.4 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.

Net profit equalled USD 51.8 million (USD 62.8 million), corresponding to diluted earnings per share of USD 0.23 (USD 0.28).

Total assets at 30 September amounted to USD 1 449.4 million (USD 1 324.5 million). Net interest-bearing debt equalled USD 661.5 million (USD 611.2 million), while the book equity ratio increased to 34.5 per cent (34.2 per cent).

Dividend

The Board of Directors has today resolved to declare an interim dividend equivalent to USD 0.133 per share to shareholders of record as of 12 November 2012. The shares will trade ex-dividend on 8 November 2012. The dividend will be paid in the form of NOK 0.75 per share on 22 November 2012.

Letter of Intent for second new build

On 4 October Prosafe issued a Letter of Intent for the construction of a semi-submersible accommodation rig at Jurong Shipyard Pte Ltd ("JSPL") in Singapore. The rig, which is of similar design as Safe Boreas presently in construction at JSPL, will be built to comply with Norwegian regulations. The rig will be ready for operations in the North Sea in 2015 (exact delivery date to be determined in the final yard contract).

In addition, JSPL has granted two options for further new builds, meaning that in total, Prosafe now has options for three new builds at JSPL. The additional two options can be designed for either the Norwegian Continental Shelf or for world-wide operations outside of Norway.

Prosafe has received bank commitments for a five-year loan facility of USD 420 million to finance both Safe Boreas, which was ordered in December 2011, and the new unit.

Outlook

Six of Prosafe's rigs are on bareboat charters in Mexico for end-user Pemex. The six rigs have 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 the beginning of August 2013.

Regalia is currently at a yard in Hanøytangen, Norway. The operating expenses are expected to increase somewhat in the fourth quarter due to off-hire costs and maintenance. The rig has a contract with Shell in Norway, with a planned start-up in April 2013.

Safe Scandinavia is operating for BP in Norway until December 2012. Thereafter the rig has a contract in the UK, with a planned start-up in April 2013.

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

Safe Astoria has a 180-days contract with Woodside in Australia which commenced in May 2012. In addition there is a one-month option.

The Safe Caledonia life extension project is scheduled for completion at approximately year-end 2012. Subsequently, the rig will commence on a 15-month contract for BP in the UK North Sea.

The general outlook for the accommodation rig market is positive. The trend of increasing field life continues, resulting in a growing need for services related to maintenance and modification projects. Further, there has been an increasing amount of prospects related to

hook-up and commissioning of new fields, particularly in the North Sea, where there have been a number of significant finds over the past year. In general, the lead time tends to be longer for hook-up and commissioning jobs (2-3 years) than for maintenance and upgrade jobs (1-2 years).

The North Sea market remains fairly busy, with high activity both with regards to work on existing fields and hook-up and commissioning of new fields. Lead times between contract award and start-up of the work has increased and opportunities as long as three years into the future are being discussed. However, there have not been any changes with regards to contract lengths and seasonal pattern. Almost all contracts are still less than 12 months duration and opportunities remain greater in the summer season than in the winter season.

Mexico has been a stable market for many years. Recently the activity level with regards to production drilling and construction has been high, which should bode well for demand for offshore accommodation going forward.

The growth outlook in the Brazilian market appears promising. There are currently three offshore accommodation units working in the Campos basin, and it is likely that more units will be needed in the short-to-medium term. In the long-term there should also be a significant growth potential in other areas. It has, however, proven difficult to generate an appropriate return in this market, mainly as a result of inflated cost levels, which could limit the long-term growth in number of units in this market.

Demand in other parts of the world tends to be volatile, although there seems to have been an underlying positive development over the past few years. Of these markets, Australia appears to be the most promising for the time being, with certain identified prospects.

Larnaca, 1 November 2012

The Board of Directors of Prosafe SE

CONSOLIDATED INCOME STATEMENT

(Unaudited figures in USD million)	Note	Q3 12	Q2 12	Q3 11	9M 12	9M 11	2011
Operating revenues	4	142.3	129.3	131.8	397.3	327.9	449.6
Operating expenses		(61.4)	(65.2)	(45.8)	(177.7)	(138.8)	(192.0)
Operating profit before depreciation		80.9	64.1	86.0	219.6	189.1	257.6
Depreciation		(14.4)	(14.3)	(17.0)	(42.7)	(48.6)	(65.3)
Operating profit		66.5	49.8	69.0	176.9	140.5	192.3
Interest income		0.0	0.1	0.1	0.1	0.2	0.3
Interest expenses		(10.6)	(10.5)	(10.4)	(32.9)	(30.5)	(42.4)
Other financial items		(3.1)	(2.9)	3.9	(6.7)	9.9	6.9
Net financial items		(13.7)	(13.3)	(6.4)	(39.5)	(20.4)	(35.2)
Profit before taxes		52.8	36.5	62.6	137.4	120.1	157.1
Taxes		(1.0)	(0.6)	0.2	(2.2)	1.4	0.9
Net profit		51.8	35.9	62.8	135.2	121.5	158.0
EPS		0.23	0.16	0.28	0.61	0.54	0.71
Diluted EPS		0.23	0.16	0.28	0.61	0.54	0.71

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited figures in USD million)	Q3 12	Q2 12	Q3 11	9M 12	9M 11	2011
Net profit for the period	51.8	35.9	62.8	135.2	121.5	158.0
Foreign currency translation	(1.1)	1.4	3.6	(0.6)	(5.2)	(0.1)
Revaluation hedging instruments	(3.6)	(7.9)	(6.1)	(7.1)	(3.0)	0.7
Other comprehensive income	(4.7)	(6.5)	(2.5)	(7.7)	(8.2)	0.6
Comprehensive income	47.1	29.4	60.3	127.5	113.3	158.6

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in USD million)	30.09.12	30.06.12	31.12.11	30.09.11
Goodwill	226.7	226.7	226.7	226.7
Rigs	876.9	909.3	893.7	910.4
New build	71.1	64.1	58.3	0.0
Other non-current assets	22.2	5.0	5.1	4.9
Total non-current assets	1 196.9	1 205.1	1 183.8	1 142.0
Cash and deposits	103.2	73.4	93.4	83.6
Other current assets	149.3	111.3	98.9	98.9
Total current assets	252.5	184.7	192.3	182.5
Total assets	1 449.4	1 389.8	1 376.1	1 324.5
Share capital	63.9	63.9	63.9	63.9
Other equity	436.5	419.0	397.9	389.7
Total equity	500.4	482.9	461.8	453.6
Interest-free long-term liabilities	76.5	71.1	68.3	81.4
Interest-bearing long-term debt	764.7	747.4	756.9	691.2
Total long-term liabilities	841.2	818.5	825.2	772.6
Other interest-free current liabilities	107.8	88.4	85.5	94.7
Current portion of long-term debt	0.0	0.0	3.6	3.6
Total current liabilities	107.8	88.4	89.1	98.3
Total equity and liabilities	1 449.4	1 389.8	1 376.1	1 324.5

CONSOLIDATED CASH FLOW STATEMENT

(Unaudited figures in USD million)	Q3 12	Q2 12	Q3 11	9M 12	9M 11	2011
Profit before taxes	52.8	36.5	62.6	137.4	120.1	157.1
Unrealised currency (gain)/loss on debt	11.3	(11.6)	(14.4)	9.3	(4.7)	(9.0)
Gain on sale of non-current assets	4 (4.8)	0.0	0.0	(4.8)	0.0	0.0
Depreciation	14.4	14.3	17.0	42.7	48.6	65.3
Financial income	0.0	(0.1)	(0.1)	(0.1)	(0.2)	(0.3)
Financial costs	10.6	10.5	10.4	32.9	30.5	42.4
Change in working capital	19.9	(6.9)	21.5	10.4	(39.3)	(48.5)
Other items from operating activities	(0.3)	(1.8)	0.1	(1.7)	(2.9)	(7.7)
Net cash flow from operating activities	103.9	40.9	97.1	226.1	152.1	199.3
Acquisition of tangible assets	(39.9)	(26.4)	(3.4)	(89.5)	(60.6)	(119.1)
Interests received	0.0	0.1	0.1	0.1	0.2	0.3
Net cash flow from investing activities	(39.9)	(26.3)	(3.3)	(89.4)	(60.4)	(118.8)
Proceeds from new interest-bearing debt	80.0	20.0	650.0	217.1	790.4	870.4
Repayment of interest-bearing debt	(74.0)	(10.0)	(700.0)	(222.2)	(796.3)	(806.3)
Dividends paid	(29.6)	(29.6)	(37.0)	(88.9)	(70.0)	(107.1)
Interests paid	(10.6)	(10.5)	(10.4)	(32.9)	(30.5)	(42.4)
Net cash flow from financing activities	(34.2)	(30.1)	(97.4)	(126.9)	(106.4)	(85.4)
Net cash flow	29.8	(15.5)	(3.6)	9.8	(14.7)	(4.9)
Cash and deposits at beginning of period	73.4	88.9	87.2	93.4	98.3	98.3
Cash and deposits at end of period	103.2	73.4	83.6	103.2	83.6	93.4

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in USD million)	Q3 12	Q2 12	Q3 11	9M 12	9M 11	2011
Equity at beginning of period	482.9	483.1	430.3	461.8	410.3	410.3
Comprehensive income for the period	47.1	29.4	60.3	127.5	113.3	158.6
Dividends	(29.6)	(29.6)	(37.0)	(88.9)	(70.0)	(107.1)
Equity at end of period	500.4	482.9	453.6	500.4	453.6	461.8

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 third quarter of 2012 were authorised for issue in accordance with a resolution of the board of directors on 1 November 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: 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.

NOTE 4: SALE OF JACK-UP RIG

On 7 August 2012, Prosafe entered into an agreement to sell the accommodation jack-up Safe Esbjerg to a buyer in South East Asia. Total proceeds amount to USD 55 million and are divided into two tranches. In accordance with the agreement an amount of USD 38.5 million was paid on 5 October. The remaining USD 16.5 million will be paid as a three-year term loan with an interest rate of 10 per cent, and is included under 'other non-current assets' in the statement of financial position. The gain on the sale amounted to USD 4.8 million and was recognised as operating revenue in the third quarter.

NOTE 5: SUBSEQUENT EVENTS

On 4 October 2012, Prosafe entered into a Letter of Intent for the construction of a semi-submersible accommodation rig at Jurong Shipyard Pte Ltd ("JSPL") in Singapore. The rig, which is of similar design as Safe Boreas presently in construction at JSPL, will be built to comply with Norwegian regulations. The rig will be ready for operations in the North Sea in 2015 (exact delivery date to be determined in the final yard contract). In addition, JSPL has, subject to board approval, granted two options for further new builds, meaning that Prosafe now in total has options for three new builds at JSPL. The additional two options can be designed for either the Norwegian Continental Shelf or for world-wide operations outside of Norway.

KEY FIGURES	Q3 12	Q2 12	Q3 11	9M 12	9M 11	2011
Operating margin	46.7 %	38.5 %	52.4 %	44.5 %	42.8 %	42.8 %
Equity ratio	34.5 %	34.7 %	34.2 %	34.5 %	34.2 %	33.6 %
Return on equity	43.1 %	30.4 %	58.2 %	37.5 %	37.5 %	36.2 %
Net interest bearing debt (USD million)	661.5	674.0	611.2	661.5	611.2	667.1
Number of shares (1 000)	229 937	229 937	229 937	229 937	229 937	229 937
Average no. of outstanding shares (1 000)	222 961	222 961	222 949	222 961	222 949	222 949
USD/NOK exchange rate at end of period	5.70	5.98	5.84	5.70	5.84	5.99
Share price (NOK)	47.28	43.05	38.39	47.28	38.39	40.99
Share price (USD)	8.29	7.20	6.57	8.29	6.57	6.84
Market capitalisation (NOK million)	10 871	9 899	8 827	10 871	8 827	9 425
Market capitalisation (USD million)	1 907	1 655	1 512	1 907	1 512	1 573

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 24.10.2012	No. of shares	Ownership
State Street Bank & Trust (nom)	26 227 800	11.4 %
Folketrygdfondet	16 611 685	7.2 %
State Street Bank & Trust (nom)	13 626 675	5.9 %
Goldman Sachs (nom)	11 664 087	5.1 %
Pareto	10 811 398	4.7 %
FLPS	7 900 000	3.4 %
Prosafe SE	6 975 818	3.0 %
JP Morgan Chase Bank (nom)	6 691 587	2.9 %
Clearstream Banking (nom)	5 551 723	2.4 %
JP Morgan Chase Bank (nom)	5 104 080	2.2 %
Total 10 largest	111 164 853	48.3 %

Total no. of shares: 229 936 790