

FOURTH QUARTER 2012

Financials

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

Full year 2012

Operating profit for 2012 amounted to USD 222.4 million (USD 192.3 million), with utilisation of the rig fleet rising to 82 per cent (80 per cent). The improved result is mainly attributable to increased utilisation.

Net financial expenses for 2012 amounted to USD 44.4 million (USD 35.2 million). The 2011 figures include a net gain of USD 10.2 million arising from the sale of shares in Floatel International and a write-off of USD 4.5 million of non-amortised borrowing costs relating to the previous credit facility. In accordance with IFRS, interest totalling USD 3.7 million in 2012 paid on the new build projects and the Safe Caledonia refurbishment project has been capitalised.

Net profit for 2012 equalled USD 177.5 million (USD 158 million) and diluted earnings per share were USD 0.80 (USD 0.71).

Fourth quarter

Operating profit for the fourth quarter amounted to USD 45.5 million (USD 51.8 million). Utilisation of the rig fleet was 82 per cent (80 per cent). The decline in operating profit is mainly due to Safe Caledonia continuing its life extension

upgrade at the yard during the quarter and Regalia remaining off-hire after completion of the Yme contract in the third quarter.

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

Safe Concordia is operating on a long-term contract in Brazil. In the fourth quarter the average effective day rate was approximately USD 137 000.

Net financial costs amounted to USD 4.9 million (USD 14.8 million). This reduction from the 2011 figure is mainly due to a favourable fluctuation in fair value of currency forwards.

Net profit equalled USD 42.3 million (USD 36.5 million), corresponding to diluted earnings per share of USD 0.19 (USD 0.16).

Total assets at 31 December amounted to USD 1 487.2 million (USD 1 376.1 million). Net interest-bearing debt equalled USD 706.8 million (USD 667.1 million), while the book equity ratio increased to 34.6 per cent (33.6 per cent).

New build programme

Striking of steel for Safe Boreas took place at Jurong Shipyard (JSPL) in Singapore in October 2012. The rig will be ready for delivery from the yard in the summer of 2014.

In November 2012, Prosafe entered into a turnkey contract with JSPL for the construction of a second harsh environment semi-submersible accommodation rig. Delivery of the rig, which will be named Safe Zephyrus, is scheduled around year-end 2014.

With a similar design to Safe Boreas, the new unit will be the world's most advanced and versatile accommodation unit, constructed to comply with Norwegian regulations and capable of operating in the harshest environments with the highest standards of safety.

The new unit, like the Safe Boreas, will be constructed in accordance with the GVA 3000E design and equipped with a DP3 (dynamic positioning) system as well as a 12-point mooring arrangement. This will allow the rig to operate in both DP and anchored mode, providing maximum cost efficiency and flexibility. The unit will have the capacity to accommodate 450 persons in single man cabins.

Cost including yard cost, owner-furnished equipment, project management and financing is estimated at approximately USD 350 million. 20 per cent of the yard cost was paid on signing of the contract, while the remaining 80 per cent will be paid on delivery.

JSPL has also granted options for two additional new builds. These options can be exercised for units which may operate either on the Norwegian Continental Shelf or for world-wide operations outside the North Sea. In addition, Prosafe has an existing option granted as an addition to the first new build contract signed in December 2011. Accordingly, Prosafe currently has a total of three options for new builds at JSPL in addition to Safe Boreas and Safe Zephyrus.

Financing

In December 2012, Prosafe closed a five-year post-delivery term loan facility of USD 420 million to finance both Safe Boreas and Safe Zephyrus. The facility has an interest rate of 3-month LIBOR + 2.95 per cent and a repayment profile of 12 years.

On 4 January 2013, Prosafe successfully completed a NOK 500 million unsecured bond issue maturing in January 2020. In connection with this bond issue, Prosafe bought back NOK 156 million of one of the existing bonds, PRS06 PRO, with a maturity date of 14 October 2013 at 102.25.

Dividend

The Board of Directors has today resolved to declare an interim dividend equivalent to USD 0.15 per share to shareholders of record as of 18 February 2013. The shares will trade ex-dividend on 14 February 2013. The dividend will be paid in the form of NOK 0.82 per share on 28 February 2013.

Outlook

Six of Prosafe's rigs are on bareboat charters in Mexico for ultimate use by Pemex. The six rigs have contracts as follows;

Safe Bristolia until mid-March 2013, Safe Britannia until end-March 2013, Jasminia until late May 2013, Safe Regency until early August 2013, Safe Lancia until mid-September 2013 and Safe Hibernia until December 2013.

After completion of the contract in Mexico, Safe Bristolia will transit to the North Sea and commence the contract with Total in May 2013.

Regalia is currently at a yard in Hanøytangen, Norway. 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 21 February 2013. Subsequently, the rig has a contract in the UK with a planned start-up in April 2013.

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

Safe Astoria is currently off hire following completion of the contract for Woodside in Australia in December 2012.

The Safe Caledonia life extension project has now been completed, and the rig is expected to commence the contract with BP in the UK North Sea in end-February 2013. The contract expires in March 2014.

Oil companies continue to focus on increased recovery rate, which is leading to a growing amount of maintenance, upgrade and life extension projects requiring accommodation rig support.

There is also an increasing amount of work related to hook-up and commissioning of new production installation. This is particularly visible in the North Sea market, but there is also evidence of such developments in other markets.

In summary this has led to a busy market with a high number of prospects. There are several tenders currently outstanding, which should lead to a number of contract awards in the market during the winter and spring.

Larnaca, 7 February 2013

The Board of Directors of Prosafe SE

CONSOLIDATED INCOME STATEMENT

(Unaudited figures in USD million)	Note	Q4 12	Q3 12	Q4 11	2012	2011
Operating revenues	4	113.1	142.3	121.7	510.4	449.6
Operating expenses		(52.6)	(61.4)	(53.2)	(230.3)	(192.0)
Operating profit before depreciation		60.5	80.9	68.5	280.1	257.6
Depreciation	3	(15.0)	(14.4)	(16.7)	(57.7)	(65.3)
Operating profit		45.5	66.5	51.8	222.4	192.3
Interest income		1.0	0.0	0.1	1.1	0.3
Interest expenses		(8.0)	(10.6)	(11.9)	(40.9)	(42.4)
Other financial items		2.1	(3.1)	(3.0)	(4.6)	6.9
Net financial items		(4.9)	(13.7)	(14.8)	(44.4)	(35.2)
Profit before taxes		40.6	52.8	37.0	178.0	157.1
Taxes		1.7	(1.0)	(0.5)	(0.5)	0.9
Net profit		42.3	51.8	36.5	177.5	158.0
EPS		0.19	0.23	0.16	0.80	0.71
Diluted EPS		0.19	0.23	0.16	0.80	0.71

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited figures in USD million)	Q4 12	Q3 12	Q4 11	2012	2011
Net profit for the period	42.3	51.8	36.5	177.5	158.0
Foreign currency translation	(0.3)	(1.1)	5.1	(0.9)	(0.1)
Revaluation hedging instruments	3.4	(3.6)	3.7	(3.7)	0.7
Other comprehensive income	3.1	(4.7)	8.8	(4.6)	0.6
Comprehensive income	45.4	47.1	45.3	172.9	158.6

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in USD million)	31.12.12	30.09.12	31.12.11
Goodwill	226.7	226.7	226.7
Rigs	896.3	876.9	893.7
New builds	135.6	71.1	58.3
Other non-current assets	21.9	22.2	5.1
Total non-current assets	1 280.5	1 196.9	1 183.8
Cash and deposits	103.6	103.2	93.4
Other current assets	103.1	149.3	98.9
Total current assets	206.7	252.5	192.3
Total assets	1 487.2	1 449.4	1 376.1
Share capital	63.9	63.9	63.9
Other equity	452.4	436.5	397.9
Total equity	516.3	500.4	461.8
Interest-free long-term liabilities	66.8	76.5	68.3
Interest-bearing long-term debt	745.6	764.7	756.9
Total long-term liabilities	812.4	841.2	825.2
Other interest-free current liabilities	93.7	107.8	85.5
Current portion of long-term debt	64.8	0.0	3.6
Total current liabilities	158.5	107.8	89.1
Total equity and liabilities	1 487.2	1 449.4	1 376.1

CONSOLIDATED CASH FLOW STATEMENT

(Unaudited figures in USD million)	Q4 12	Q3 12	Q4 11	2012	2011
Profit before taxes	40.6	52.8	37.0	178.0	157.1
Unrealised currency (gain)/loss on debt	5.7	11.3	(4.3)	15.0	(9.0)
Gain on sale of non-current assets	4 0.0	(4.8)	0.0	(4.8)	0.0
Depreciation	15.0	14.4	16.7	57.7	65.3
Financial income	(1.0)	0.0	(0.1)	(1.1)	(0.3)
Financial costs	8.0	10.6	11.9	40.9	42.4
Change in working capital	(6.4)	19.9	(9.2)	4.0	(48.5)
Other items from operating activities	(4.9)	(0.3)	(4.8)	(6.6)	(7.7)
Net cash flow from operating activities	57.0	103.9	47.2	283.1	199.3
Acquisition of tangible assets	(98.6)	(39.9)	(58.5)	(188.1)	(119.1)
Proceeds from sale of tangible assets	38.5	0.0	0.0	38.5	0.0
Interests received	1.0	0.0	0.1	1.1	0.3
Net cash flow from investing activities	(59.1)	(39.9)	(58.4)	(148.5)	(118.8)
Proceeds from new interest-bearing debt	100.0	80.0	80.0	317.1	870.4
Repayment of interest-bearing debt	(60.0)	(74.0)	(10.0)	(282.2)	(806.3)
Dividends paid	(29.7)	(29.6)	(37.1)	(118.6)	(107.1)
Sale of own shares	0.2	0.0	0.0	0.2	0.0
Interests paid	(8.0)	(10.6)	(11.9)	(40.9)	(42.4)
Net cash flow from financing activities	2.5	(34.2)	21.0	(124.4)	(85.4)
Net cash flow	0.4	29.8	9.8	10.2	(4.9)
Cash and deposits at beginning of period	103.2	73.4	83.6	93.4	98.3
Cash and deposits at end of period	103.6	103.2	93.4	103.6	93.4

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in USD million)	Q4 12	Q3 12	Q4 11	2012	2011
Equity at beginning of period	500.4	482.9	453.6	461.8	410.3
Comprehensive income for the period	45.4	47.1	45.3	172.9	158.6
Sale of own shares	0.2	0.0	0.0	0.2	0.0
Dividends	(29.7)	(29.6)	(37.1)	(118.6)	(107.1)
Equity at end of period	516.3	500.4	461.8	516.3	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 fourth quarter of 2012 were authorised for issue in accordance with a resolution of the board of directors on 7 February 2013. 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: INTEREST-BEARING DEBT

In December 2012, Prosafe closed a five-year post-delivery term loan facility of USD 420 million to finance both Safe Boreas and Safe Zephyrus. The facility has an interest rate of 3-month LIBOR + 2.95 per cent and a repayment profile of 12 years. For details on the other facilities and the bond loans, please refer to the annual report for 2011.

NOTE 6: SUBSEQUENT EVENTS

On 4 January 2013, Prosafe successfully completed a NOK 500 million unsecured bond issue with maturity in January 2020. In connection with this bond issue, Prosafe bought back NOK 156 million in one of the existing bonds, PRS06 PRO, with maturity 14 October 2013 at 102.25.

KEY FIGURES	Q4 12	Q3 12	Q4 11	2012	2011
Operating margin	40.2 %	46.7 %	42.6 %	43.6 %	42.8 %
Equity ratio	34.7 %	34.5 %	33.6 %	34.7 %	33.6 %
Return on equity	34.6 %	43.1 %	33.5 %	48.4 %	36.2 %
Net interest bearing debt (USD million)	706.8	661.5	667.1	706.8	667.1
Number of shares (1 000)	229 937	229 937	229 937	229 937	229 937
Average no. of outstanding shares (1 000)	222 963	222 961	222 950	222 961	222 949
USD/NOK exchange rate at end of period	5.57	5.70	5.99	5.57	5.99
Share price (NOK)	47.32	47.28	40.99	47.32	40.99
Share price (USD)	8.50	8.29	6.84	8.50	6.84
Market capitalisation (NOK million)	10 881	10 871	9 425	10 881	9 425
Market capitalisation (USD million)	1 953	1 907	1 573	1 953	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 30.01.2013

No. of shares

State Street Bank & Trust (nom)	28 612 129	12.4 %
Folketrygdfondet	15 801 685	6.9 %
State Street Bank & Trust (nom)	15 518 309	6.7 %
Pareto	9 884 210	4.3 %
FLPS	7 900 000	3.4 %
Prosafe SE	6 963 731	3.0 %
JP Morgan Chase Bank (nom)	6 388 984	2.8 %
Goldman Sachs (nom)	6 153 506	2.7 %
Clearstream Banking (nom)	5 628 598	2.4 %
JP Morgan Chase Bank (nom)	5 146 187	2.2 %
Total 10 largest	107 997 339	47.0 %

Total no. of shares: 229 936 790