



## FIRST QUARTER 2013

### Financials

*(Figures in brackets refer to the corresponding period of 2012)*

Operating profit for the first quarter amounted to USD 19 million (USD 60.6 million). Utilisation of the fleet was 74 per cent (83 per cent).

Safe Concordia, Safe Lancia, Jasminia, Safe Hibernia, Safe Britannia and Safe Regency have been on contract throughout the first quarter.

Safe Bristolia was on bareboat day rate throughout the quarter, including the period in transit from Mexico to the North Sea. Expenses of approximately USD 2.5 million relating to preparation for the next contract for the vessel have been incurred in the first quarter.

Safe Concordia is operating on a long-term contract in Brazil. In the first quarter of 2013 the average effective day rate was approximately USD 141,000.

Safe Caledonia commenced the contract with BP at Andrew in the UK on 2 March.

Safe Scandinavia was in operation for BP at Valhall in Norway until 1 March.

After completing the work for Woodside in Australia at year-end 2012, Safe Astoria was demobilised at a day rate of USD 120,000 for the first 20 days in January. Operating

expenses for the vessel amounted to USD 2.6 million in the first quarter.

Regalia was off-hire and at the yard undertaking planned maintenance work during the first quarter. Two thrusters were overhauled and the forward crane was replaced during the yard stay. As a consequence, the operating costs were approximately USD 6 million higher than in normal operation in the first quarter.

Net financial expenses for the first quarter were USD 18.6 million (USD 12.5 million). The increase is mainly related to revaluation of forward exchange contracts.

Net loss amounted to USD 0.7 million (net profit of USD 47.5 million), and earnings per share were USD 0.00 (USD 0.21).

Total assets at 31 March amounted to USD 1 459 million (USD 1 378 million), while the book equity ratio rose to 42 per cent (35.1 per cent) mainly due to the share issue of 13 million shares completed in March. Net interest-bearing debt stood at USD 608.1 million (USD 660.1 million).

### Dividend

The Board of Directors resolved on 14 May 2013 to declare an interim dividend equivalent to USD 0.15 per share to shareholders of record as of 27 May 2013. The shares will trade ex-dividend on 23 May 2013. The

dividend will be paid in the form of NOK 0.87 per share on 7 June 2013.

### **Change in share capital**

On 14 March Prosafe successfully completed a private placement of 13 million new shares. The proceeds of approximately USD 130 million will be used to fund value enhancing growth investments.

On 14 May the annual general meeting approved the cancellation of Prosafe's own shares of 6,963,731. After the cancellation, the number of ordinary shares in the company is 235,973,059.

### **Outlook**

Five of Prosafe's vessels are on bareboat charters in Mexico for end-user Pemex. The five vessels have contracts as follows:

Safe Regency until early August 2013,  
Safe Lancia until mid-September 2013,  
Jasminia until end of October 2013,  
Safe Hibernia until December 2013  
and Safe Britannia until end of 2014.

Safe Bristolia commenced a contract for Total in UK in early May.

Regalia commenced a contract with Shell at Draugen in Norway on 30 April.

Safe Scandinavia commenced a contract with ConocoPhillips at Jasmine in the UK in early April.

Safe Caledonia is currently operating for BP at Andrew in the UK.

Safe Concordia is operating on a three-year contract for Petrobras in Brazil, which commenced in the second quarter of 2011.

Safe Astoria is currently off-hire. The vessel is located in Batam, Indonesia.

2013 has so far showed a strong order inflow, with substantial contracts being awarded both in the North Sea and in Mexico. There are still tenders in the pipeline and there should be potential for further contract awards in the coming months.

The positive development is driven by a combination of a strong focus on increased oil recovery from existing fields and a growing number of new developments, particularly in Norway.

Larnaca, 14 May 2013

The Board of Directors of Prosafe SE

## CONSOLIDATED INCOME STATEMENT

(Unaudited figures in USD million)	Q1 13	Q4 12	Q1 12	2012
Operating revenues	85.8	113.1	125.7	510.4
Operating expenses	(52.4)	(52.6)	(51.1)	(230.3)
<b>Operating profit before depreciation</b>	<b>33.4</b>	<b>60.5</b>	<b>74.6</b>	<b>280.1</b>
Depreciation	(14.4)	(15.0)	(14.0)	(57.7)
<b>Operating profit</b>	<b>19.0</b>	<b>45.5</b>	<b>60.6</b>	<b>222.4</b>
Interest income	0.5	1.0	0.0	1.1
Interest expenses	(9.0)	(8.0)	(11.8)	(40.9)
Other financial items	(10.1)	2.1	(0.7)	(4.6)
<b>Net financial items</b>	<b>(18.6)</b>	<b>(4.9)</b>	<b>(12.5)</b>	<b>(44.4)</b>
<b>Profit before taxes</b>	<b>0.4</b>	<b>40.6</b>	<b>48.1</b>	<b>178.0</b>
Taxes	(1.1)	1.7	(0.6)	(0.5)
<b>Net profit</b>	<b>(0.7)</b>	<b>42.3</b>	<b>47.5</b>	<b>177.5</b>
<b>EPS</b>	<b>0.00</b>	<b>0.19</b>	<b>0.21</b>	<b>0.80</b>
<b>Diluted EPS</b>	<b>0.00</b>	<b>0.19</b>	<b>0.21</b>	<b>0.80</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited figures in USD million)	Q1 13	Q4 12	Q1 12	2012
<b>Net profit for the period</b>	<b>(0.7)</b>	<b>42.3</b>	<b>47.5</b>	<b>177.5</b>
Foreign currency translation	0.0	(0.3)	(0.9)	(0.9)
Revaluation hedging instruments	1.4	3.4	4.4	(3.7)
<b>Other comprehensive income</b>	<b>1.4</b>	<b>3.1</b>	<b>3.5</b>	<b>(4.6)</b>
<b>Comprehensive income</b>	<b>0.7</b>	<b>45.4</b>	<b>51.0</b>	<b>172.9</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in USD million)	31.03.12	31.12.12	31.03.12
Goodwill	226.7	226.7	226.7
Rigs	926.3	896.3	901.9
New builds	142.0	135.6	59.4
Other non-current assets	20.3	21.9	5.0
<b>Total non-current assets</b>	<b>1 315.3</b>	<b>1 280.5</b>	<b>1 193.0</b>
Cash and deposits	81.5	103.6	88.9
Other current assets	62.4	103.1	96.1
<b>Total current assets</b>	<b>143.9</b>	<b>206.7</b>	<b>185.0</b>
<b>Total assets</b>	<b>1 459.2</b>	<b>1 487.2</b>	<b>1 378.0</b>
Share capital	68.2	63.9	63.9
Other equity	544.6	452.4	419.2
<b>Total equity</b>	<b>612.8</b>	<b>516.3</b>	<b>483.1</b>
Interest-free long-term liabilities	64.3	66.8	65.8
Interest-bearing long-term debt	654.5	745.6	749.0
<b>Total long-term liabilities</b>	<b>718.8</b>	<b>812.4</b>	<b>814.8</b>
Other interest-free current liabilities	92.5	93.7	80.1
Current portion of long-term debt	35.1	64.8	0.0
<b>Total current liabilities</b>	<b>127.6</b>	<b>158.5</b>	<b>80.1</b>
<b>Total equity and liabilities</b>	<b>1 459.2</b>	<b>1 487.2</b>	<b>1 378.0</b>

## CONSOLIDATED CASH FLOW STATEMENT

(Unaudited figures in USD million)	Q1 13	Q4 12	Q1 12	2012
Profit before taxes	0.4	40.6	48.1	178.0
Unrealised currency (gain)/loss on debt	(13.8)	5.7	9.6	15.0
Gain on sale of non-current assets	0.0	0.0	0.0	(4.8)
Depreciation	14.4	15.0	14.0	57.7
Financial income	(0.5)	(1.0)	0.0	(1.1)
Financial costs	9.0	8.0	11.8	40.9
Change in working capital	39.5	(6.4)	(2.6)	4.0
Other items from operating activities	(2.2)	(4.9)	0.4	(6.6)
<b>Net cash flow from operating activities</b>	<b>46.8</b>	<b>57.0</b>	<b>81.3</b>	<b>283.1</b>
Acquisition of tangible assets	(50.6)	(98.6)	(23.2)	(188.1)
Proceeds from sale of tangible assets	1.4	38.5	0.0	38.5
Interests received	0.5	1.0	0.0	1.1
<b>Net cash flow from investing activities</b>	<b>(48.7)</b>	<b>(59.1)</b>	<b>(23.2)</b>	<b>(148.5)</b>
Proceeds from new interest-bearing debt	120.8	100.0	117.1	317.1
Repayment of interest-bearing debt	(227.8)	(60.0)	(138.2)	(282.2)
New share issue	129.2	0.0	0.0	0.0
Dividends paid	(33.4)	(29.7)	(29.7)	(118.6)
Sale of own shares	0.0	0.2	0.0	0.2
Interests paid	(9.0)	(8.0)	(11.8)	(40.9)
<b>Net cash flow from financing activities</b>	<b>(20.2)</b>	<b>2.5</b>	<b>(62.6)</b>	<b>(124.4)</b>
<b>Net cash flow</b>	<b>(22.1)</b>	<b>0.4</b>	<b>(4.5)</b>	<b>10.2</b>
Cash and deposits at beginning of period	103.6	103.2	93.4	93.4
<b>Cash and deposits at end of period</b>	<b>81.5</b>	<b>103.6</b>	<b>88.9</b>	<b>103.6</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in USD million)	Q1 13	Q4 12	Q1 12	2012
Equity at beginning of period	516.3	500.4	461.8	461.8
New share issue	129.2	0.0	0.0	0.0
Comprehensive income for the period	0.7	45.4	51.0	172.9
Sale of own shares	0.0	0.2	0.0	0.2
Dividends	(33.4)	(29.7)	(29.7)	(118.6)
<b>Equity at end of period</b>	<b>612.8</b>	<b>516.3</b>	<b>483.1</b>	<b>516.3</b>

## 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 first quarter of 2013 were authorised for issue in accordance with a resolution of the board of directors on 14 May 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: SHARE ISSUE

On 15 March 2013, the Company announced the successful completion of a private placement of 13 000 000 new shares directed towards Norwegian and international institutional investors after close of the Oslo Stock Exchange on 14 March 2013. The over-subscribed placement was made at a subscription price of NOK 58 per share, and the share capital increase represented approximately 5.7 per cent of the issued shares in the Company. Gross proceeds amounted to NOK 754 million, and will be used to fund value enhancing growth investments.

The issuance of the new shares was resolved by the Company's board of directors pursuant to an authorisation granted at the Company's annual general meeting on 23 May 2012. The shares allocated in the private placement were issued and registered in the Norwegian Central Securities Depository (VPS) on 18 March 2013, and thus tradable on the Oslo Stock Exchange from the same date. The new share capital of the Company was increased by EUR 3 250 000 to EUR 60 734 197.50, divided on 242 936 790 shares with a nominal value of EUR 0.25 per share.

### NOTE 4: INTEREST-BEARING DEBT

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. For details on the other facilities and the bond loans, please refer to the annual report for 2012.

KEY FIGURES	Q1 13	Q4 12	Q1 12	2012
Operating margin	22.1 %	40.2 %	48.2 %	43.6 %
Equity ratio	42.0 %	34.7 %	35.1 %	34.7 %
Return on equity	-0.5 %	34.6 %	40.2 %	48.4 %
Net interest bearing debt (USD million)	608.1	706.8	660.1	706.8
Number of shares (1 000)	242 937	229 937	229 937	229 937
Average no. of outstanding shares (1 000)	224 362	222 963	222 961	222 961
USD/NOK exchange rate at end of period	5.83	5.57	5.69	5.57
Share price (NOK)	56.50	47.32	45.28	47.32
Share price (USD)	9.69	8.50	7.96	8.50
Market capitalisation (NOK million)	13 726	10 881	10 412	10 881
Market capitalisation (USD million)	2 354	1 953	1 830	1 953

#### 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 30.04.2013 No. of shares Ownership

State Street Bank & Trust (nom)	30 200 310	12.4 %
Folketrygdfondet	18 901 685	7.8 %
State Street Bank & Trust (nom)	14 000 695	5.8 %
Pareto	9 397 277	3.9 %
Clearstream Banking (nom)	8 311 649	3.4 %
FLPS	7 900 000	3.3 %
Prosafe SE	6 963 731	2.9 %
JP Morgan Chase Bank (nom)	6 768 984	2.8 %
Goldman Sachs (nom)	6 141 404	2.5 %
KAS Depository Trust (nom)	4 460 265	1.8 %
<b>Total 10 largest</b>	<b>113 046 000</b>	<b>46.5 %</b>

Total no. of shares: 242 936 790