



FOURTH QUARTER 2015

Financials

(Figures in brackets refer to the corresponding period of 2014)

Full year 2015

Operating profit for 2015 amounted to USD 167 million (USD 248.3 million) and utilisation of the fleet was 70 per cent (87 per cent).

Net financial expenses for 2015 amounted to USD 70.9 million (USD 57 million). The increase results mainly from fair value adjustments of currency forward contracts and higher interest expenses. In accordance with IFRS, interest costs totalling USD 12.8 million (USD 7.9 million) have been allocated to new build and construction projects and consequently capitalised as part of the vessel costs.

Net profit for 2015 equalled USD 85.6 million (USD 178.8 million) and diluted earnings per share were USD 0.36 (USD 0.76).

Fourth quarter 2015

Utilisation of the fleet was 62 per cent (92 per cent). Operating profit for the fourth quarter amounted to USD 17.5 million (USD 77.4 million).

Jasminia remained off-hire in the quarter. An impairment of USD 9.4 million relating to Jasminia has been charged to the accounts in the fourth quarter. The net book value of the vessel is zero as at 31 December 2015.

A fee of USD 4 million relating to the cancelled towage of Safe Zephyrus was expensed in Q4 2015. Safe Zephyrus was delivered at the end of January 2016, and the final instalment was reduced by USD 30 million. This represents a seller's credit from the yard, to be repaid in a single payment on or before 15 June 2017.

Safe Zephyrus is scheduled to commence a contract in Norway early Q3 2016.

Further in Q4 2015, non recurring items amounting to USD 3.4 million were charged and USD 2.25 million provided for relating to settlement of certain contractual matters and an operational incident resulting in the loss of an anchor wire.

Safe Boreas was on contract in Norway until mid-December, and Regalia was on contract in UK until late November.

Safe Bristolia was off contract throughout the quarter, and is now in a Gdansk yard for its special periodic survey (SPS).

Safe Astoria is located in Batam, Indonesia, where it has undergone minor works in the fourth quarter.

Safe Concordia, Safe Caledonia, Safe Regency, Safe Lancia, Safe Hibernia and Safe Britannia were fully contracted throughout the quarter.

The Safe Hibernia contract has been extended until the end of Q1 2016. Safe Britannia ended its contract at the end of December 2015, but the vessel remains in operational readiness mode in anticipation of new assignments.

Mechanical completion and commissioning of Scandinavia TSV is finalised. As stated in the recent operational update, during the acceptance testing certain specifications showed a need for some adjustments, which are expected to be completed in the near future. Once the testing is complete, the vessel will start mobilising to Oseberg East.

Net financial costs amounted to USD 22.2 million (USD 25.3 million). Net loss equalled USD 6.8 million (net profit of USD 51 million), corresponding to diluted earnings per share of USD 0.03 negative (USD 0.22 positive).

Total assets at 31 December amounted to USD 2 323 million (USD 1 817 million). Net interest-bearing debt equalled USD 1 189.9 million (USD 707.7 million), and the book equity ratio was 36.6 per cent (41.2 per cent).

Share issue

On 3 December 2015, the company raised NOK 590 million in gross proceeds through a private placement of 23,597,300 new shares, each with a par value of EUR 0.25 at a subscription price of NOK 25 per share, representing a premium of 4.6% on the closing price of the day.

The proceeds from the private placement have strengthened the company's balance sheet and liquidity position.

Amended credit facilities

The company's USD 1,300 million and USD 288 million credit facilities have been amended. The amendments provide increased operational and financial flexibility.

Fleet renewal

The company is taking delivery of the Safe Notos in February 2016 as part of its fleet

renewal strategy. In connection with the delivery, Prosafe will draw USD 144 million of its committed credit facility. The final delivery instalment will be reduced by USD 29 million, by way of a seller's credit from Cosco (Qidong) Offshore Co., Ltd., repayable in a single payment by 31 December 2016, which results in increased liquidity for the company.

Outlook

The oil and gas services market remains challenging in the short and medium term with continued volatile oil price and reductions in E&P capital expenditure. Accordingly, Prosafe is taking proactive measures by renewing and updating its fleet, strengthening the balance sheet, increasing its financial flexibility and securing liquidity buffers. In addition, Prosafe continues to focus on cost optimisation and reduction.

The longer term outlook for offshore oil and gas remains positive with activity expected to improve in the medium to long term.

Prosafe continues to actively pursue suitable opportunities that, if successful, will add to the company's order book.

Larnaca, 3 February 2016

The Board of Directors of Prosafe SE

CONDENSED CONSOLIDATED INCOME STATEMENT

(Unaudited figures in USD million)	Q4 15	Q3 15	Q4 14	2015	2014
Operating revenues	103.9	154.1	154.1	474.7	548.7
Operating expenses	(52.5)	(56.5)	(60.2)	(211.8)	(236.1)
EBITDA	51.4	97.6	93.9	262.9	312.6
Depreciation	(24.5)	(26.3)	(16.5)	(86.5)	(64.3)
Impairment	(9.4)	0.0	0.0	(9.4)	0.0
Operating profit	17.5	71.3	77.4	167.0	248.3
Interest income	0.1	0.0	0.0	0.2	0.3
Interest expenses	(10.4)	(8.2)	(10.2)	(41.6)	(37.3)
Other financial items	(11.9)	(7.4)	(15.1)	(29.5)	(20.0)
Net financial items	(22.2)	(15.6)	(25.3)	(70.9)	(57.0)
Profit before taxes	(4.7)	55.7	52.1	96.1	191.3
Taxes	(2.1)	(2.5)	(1.1)	(10.5)	(12.5)
Net profit	(6.8)	53.2	51.0	85.6	178.8
EPS	(0.03)	0.23	0.22	0.36	0.76
Diluted EPS	(0.03)	0.23	0.22	0.36	0.76

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited figures in USD million)	Q4 15	Q3 15	Q4 14	2015	2014
Net profit for the period	(6.8)	53.2	51.0	85.6	178.8
Foreign currency translation	(4.3)	(0.8)	0.2	(5.0)	(6.2)
Revaluation hedging instruments	18.6	(23.6)	(16.8)	(9.5)	(38.0)
Other comprehensive income	14.3	(24.4)	(16.6)	(14.5)	(44.2)
Comprehensive income	7.5	28.8	34.4	71.1	134.6

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Unaudited figures in USD million)	31.12.15	30.09.15	31.12.14
Goodwill	226.7	226.7	226.7
Vessels	1 714.8	1 698.3	1 027.3
New builds	228.5	213.6	311.8
Other non-current assets	4.9	5.5	5.7
Total non-current assets	2 174.9	2 144.1	1 571.5
Cash and deposits	57.1	85.2	122.4
Other current assets	91.4	112.9	122.9
Total current assets	148.5	198.1	245.3
Total assets	2 323.4	2 342.2	1 816.8
Share capital	72.1	65.9	65.9
Other equity	779.3	711.2	682.6
Total equity	851.4	777.1	748.5
Interest-free long-term liabilities	58.9	81.9	55.9
Interest-bearing long-term debt	1 207.5	1 277.3	830.1
Total long-term liabilities	1 266.4	1 359.2	886.0
Other interest-free current liabilities	166.1	175.3	182.3
Current portion of long-term debt	39.5	30.6	0.0
Total current liabilities	205.6	205.9	182.3
Total equity and liabilities	2 323.4	2 342.2	1 816.8

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(Unaudited figures in USD million)	Q4 15	Q3 15	Q4 14	2015	2014
Profit before taxes	(4.7)	55.7	52.1	96.1	191.3
Unrealised currency (gain)/loss on debt	(10.9)	(25.7)	(59.3)	(56.6)	(83.7)
Loss on sale of non-current assets	0.2	1.2	2.3	1.4	2.3
Depreciation	24.5	26.3	16.5	86.5	64.3
Impairment	9.4	0.0	0.0	9.4	0.0
Financial income	(0.1)	0.0	0.0	(0.2)	(0.3)
Financial costs	10.4	8.2	10.2	41.6	37.3
Change in working capital	12.3	(49.2)	75.3	15.3	63.0
Other items from operating activities	(10.8)	(4.4)	(7.0)	(22.0)	(25.9)
Net cash flow from operating activities	30.3	12.1	90.1	171.5	248.3
Acquisition of tangible assets	(64.9)	(116.3)	(60.9)	(700.7)	(211.0)
Proceeds from sale of tangible assets	0.0	0.0	0.3	0.0	0.3
Interests received	0.1	0.0	0.0	0.2	0.3
Net cash flow from investing activities	(64.8)	(116.3)	(60.6)	(700.5)	(210.4)
Proceeds from new interest-bearing debt	10.0	170.0	0.0	1 290.0	332.2
Repayment of interest-bearing debt	(60.0)	(55.0)	(30.0)	(816.5)	(198.0)
New share issue	65.8	0.0	0.0	65.8	0.0
Dividends paid	1.0	(12.3)	(12.5)	(34.0)	(125.8)
Interests paid	(10.4)	(8.2)	(10.2)	(41.6)	(37.3)
Net cash flow from financing activities	6.4	94.5	(52.7)	463.7	(28.9)
Net cash flow	(28.1)	(9.7)	(23.2)	(65.3)	9.0
Cash and deposits at beginning of period	85.2	94.9	145.6	122.4	113.4
Cash and deposits at end of period	57.1	85.2	122.4	57.1	122.4

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Unaudited figures in USD million)	Q4 15	Q3 15	Q4 14	2015	2014
Equity at beginning of period	777.1	760.6	726.6	748.5	739.7
New share issue	65.8	0.0	0.0	65.8	0.0
Comprehensive income for the period	7.5	28.8	34.4	71.1	134.6
Dividends	1.0	(12.3)	(12.5)	(34.0)	(125.8)
Equity at end of period	851.4	777.1	748.5	851.4	748.5

NOTES TO THE CONDENSED INTERIM 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 2015 were authorised for issue in accordance with a resolution of the board of directors on 4 November 2015. The accounting figures are unaudited.

NOTE 2: ACCOUNTING PRINCIPLES

This interim financial report has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, including IAS 34 Interim Financial Reporting. The accounting principles adopted are consistent with those of the previous financial year.

NOTE 3: NEW BUILDS

As of 31 December 2015 Prosafe had one vessel, the Safe Zephyrus, under construction at Jurong in Singapore plus two vessels under construction at Cosco in China; Safe Eurus and Safe Notos. Safe Zephyrus was delivered at the end of January 2016, and the final instalment was reduced by USD 30 million. This represents a seller's credit from the yard, to be repaid in a single payment on or before 15 June 2017.

NOTE 4: REFINANCING

In February 2015, the company secured a new credit facility for the refinancing of the existing USD 1,100 million and USD 420 million credit facilities. The credit facility, which has a maturity of seven years, consists of two term loan tranches of USD 800 million (drawn on closing) and USD 200 million (drawn on delivery of the Safe Zephyrus), respectively, and a revolver loan tranche of USD 300 million. The availability under the term loan tranches is reduced semi-annually, starting 6 months after delivery of the tranche security, with an amount that reduces the term loan commitments to zero by the final maturity. The annual interest rate on the credit facility is 1.90 per cent above 3-month LIBOR for the first five years and 2.15 per cent above 3-month LIBOR thereafter.

KEY FIGURES	Q4 15	Q3 15	Q4 14	2015	2014
Operating margin	16.8 %	46.3 %	50.2 %	35.2 %	45.3 %
Equity ratio	36.6 %	33.2 %	41.2 %	36.6 %	41.2 %
Return on equity	-6.4 %	28.3 %	28.1 %	14.3 %	23.9 %
Net interest bearing debt (USD million)	1 189.9	1 222.7	707.7	1 189.9	707.7
Number of shares (1 000)	259 570	235 973	235 973	259 570	235 973
Average no. of outstanding shares (1 000)	242 974	235 973	235 973	237 719	235 973
USD/NOK exchange rate at end of period	8.81	8.50	7.43	8.81	7.43
Share price (NOK)	21.00	23.70	23.00	21.00	23.00
Share price (USD)	2.38	2.79	3.10	2.38	3.10
Market capitalisation (NOK million)	5 451	5 593	5 427	5 451	5 427
Market capitalisation (USD million)	619	658	730	619	730

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