

23 August 2012



Q2 2012 results

Disclaimer

All statements in this presentation other than statements of historical fact are forward-looking statements, which are subject to a number of risks, uncertainties, and assumptions that are difficult to predict and are based upon assumptions as to future events that may not prove accurate. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “believe”, “may”, “will”, “should”, “would be”, “expect” or “anticipate” or similar expressions, or the negative thereof, or other variations thereof, or comparable terminology, or by discussions of strategy, plans or intentions. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this presentation as anticipated, believed or expected. Prosafe does not intend, and does not assume any obligation to update any industry information or forward-looking statements set forth in this presentation to reflect subsequent events or circumstances.

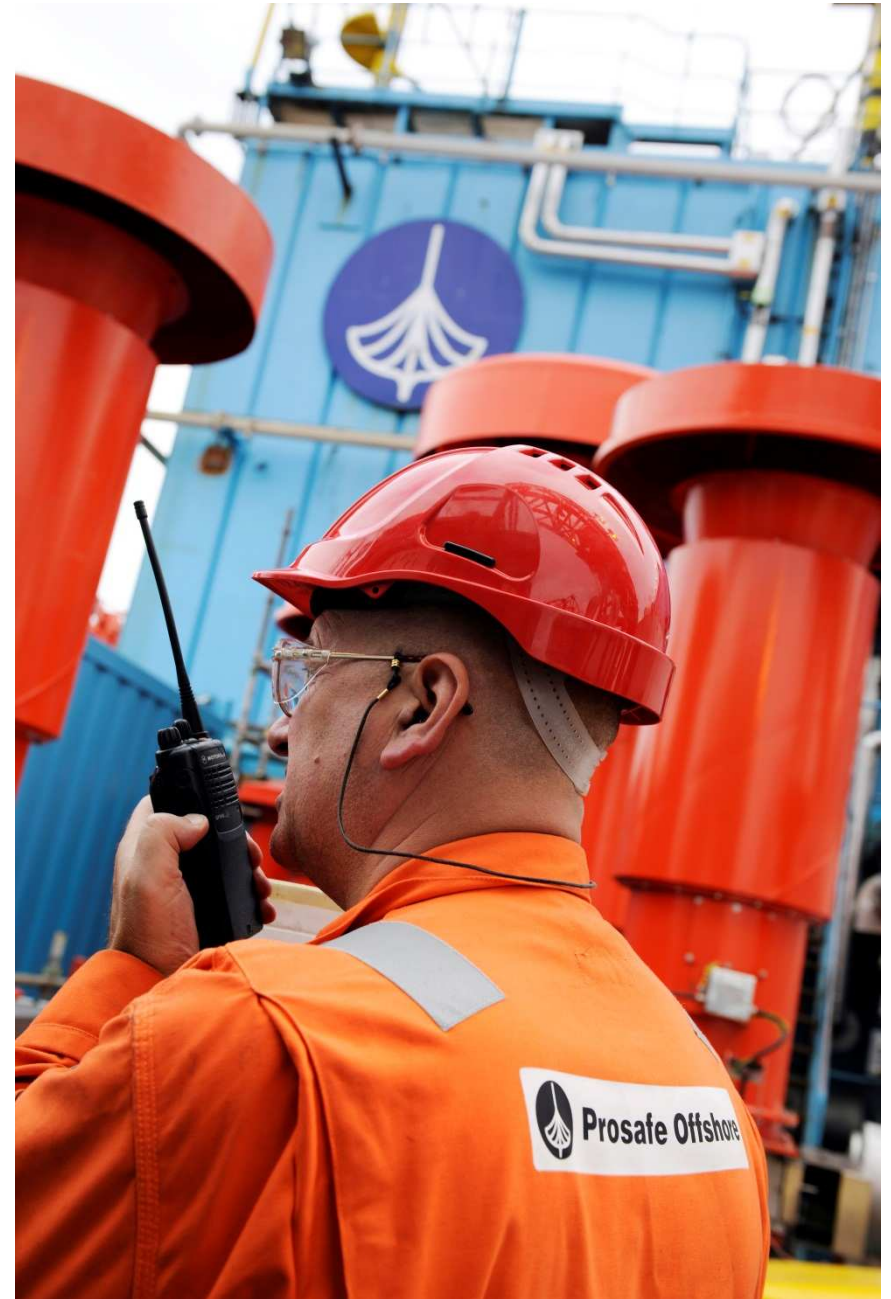
Recent Prosafe developments

- Rig utilisation rate of 78 per cent in Q2
- Contract for newbuild Safe Boreas commencing in April 2015
- Contract for Safe Scandinavia commencing April 2013
- Divestment of jack-up Safe Esbjerg – total proceeds of USD 55 million



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Income statement

(Unaudited figures in USD million)	Q2 12	Q1 12	Q2 11	1H 12	1H 11	2011
Operating revenues	129.3	125.7	125.0	255.0	196.1	449.6
Operating expenses	(65.2)	(51.1)	(51.7)	(116.3)	(93.0)	(192.0)
Operating profit before depreciation	64.1	74.6	73.3	138.7	103.1	257.6
Depreciation	(14.3)	(14.0)	(15.9)	(28.3)	(31.6)	(65.3)
Operating profit	49.8	60.6	57.4	110.4	71.5	192.3
Interest income	0.1	0.0	0.0	0.1	0.1	0.3
Interest expenses	(10.5)	(11.8)	(10.0)	(22.3)	(20.1)	(42.4)
Other financial items	(2.9)	(0.7)	3.9	(3.6)	6.0	6.9
Net financial items	(13.3)	(12.5)	(6.1)	(25.8)	(14.0)	(35.2)
Profit before taxes	36.5	48.1	51.3	84.6	57.5	157.1
Taxes	(0.6)	(0.6)	0.6	(1.2)	1.2	0.9
Net profit	35.9	47.5	51.9	83.4	58.7	158.0
EPS	0.16	0.21	0.23	0.37	0.26	0.71
Diluted EPS	0.16	0.21	0.23	0.37	0.26	0.71

Operating revenues

(USD million)	Q2 12	Q1 12	Q2 11	1H 12	1H 11	2011
Charter income	103.1	115.1	110.3	218.2	174.5	400.7
Mob/demob income	2.0	0.0	0.0	2.0	1.4	4.1
Other income	24.2	10.6	14.7	34.8	20.2	44.8
Total	129.3	125.7	125.0	255.0	196.1	449.6

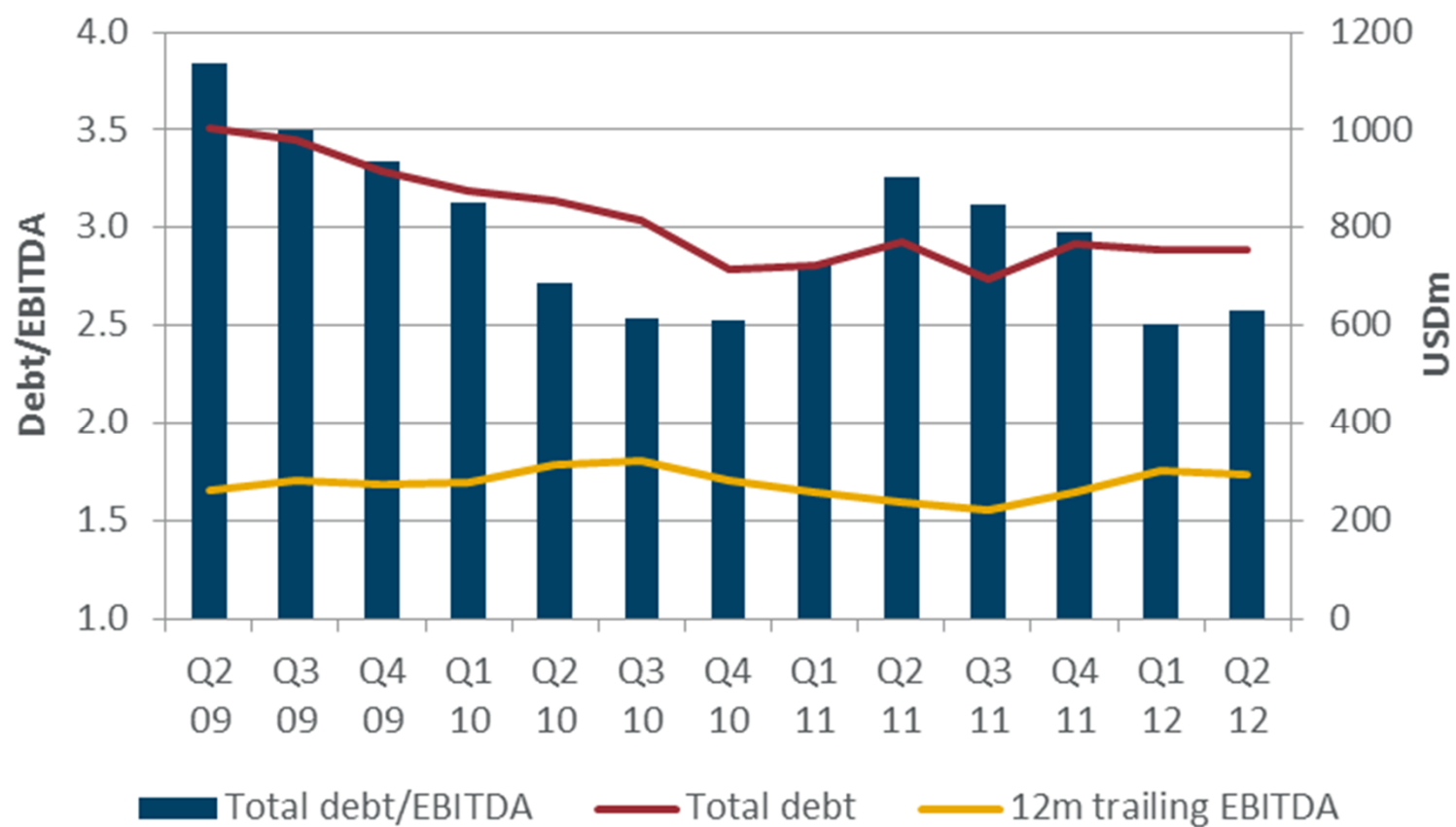
Balance sheet

(Unaudited figures in USD million)	30.06.12	31.03.12	31.12.11	30.06.11
Goodwill	226.7	226.7	226.7	226.7
Rigs	909.3	901.9	893.7	924.2
New build	64.1	59.4	58.3	0.0
Other non-current assets	5.0	5.0	5.1	4.7
Total non-current assets	1 205.1	1 193.0	1 183.8	1 155.6
Cash and deposits	73.4	88.9	93.4	87.2
Other current assets	111.3	96.1	98.9	133.6
Total current assets	184.7	185.0	192.3	220.8
Total assets	1 389.8	1 378.0	1 376.1	1 376.4
Share capital	63.9	63.9	63.9	63.9
Other equity	419.0	419.2	397.9	366.4
Total equity	482.9	483.1	461.8	430.3
Interest-free long-term liabilities	71.1	65.8	68.3	79.0
Interest-bearing long-term debt	747.4	749.0	756.9	725.6
Total long-term liabilities	818.5	814.8	825.2	804.6
Other interest-free current liabilities	88.4	80.1	85.5	107.9
Current portion of long-term debt	0.0	0.0	3.6	33.6
Total current liabilities	88.4	80.1	89.1	141.5
Total equity and liabilities	1 389.8	1 378.0	1 376.1	1 376.4

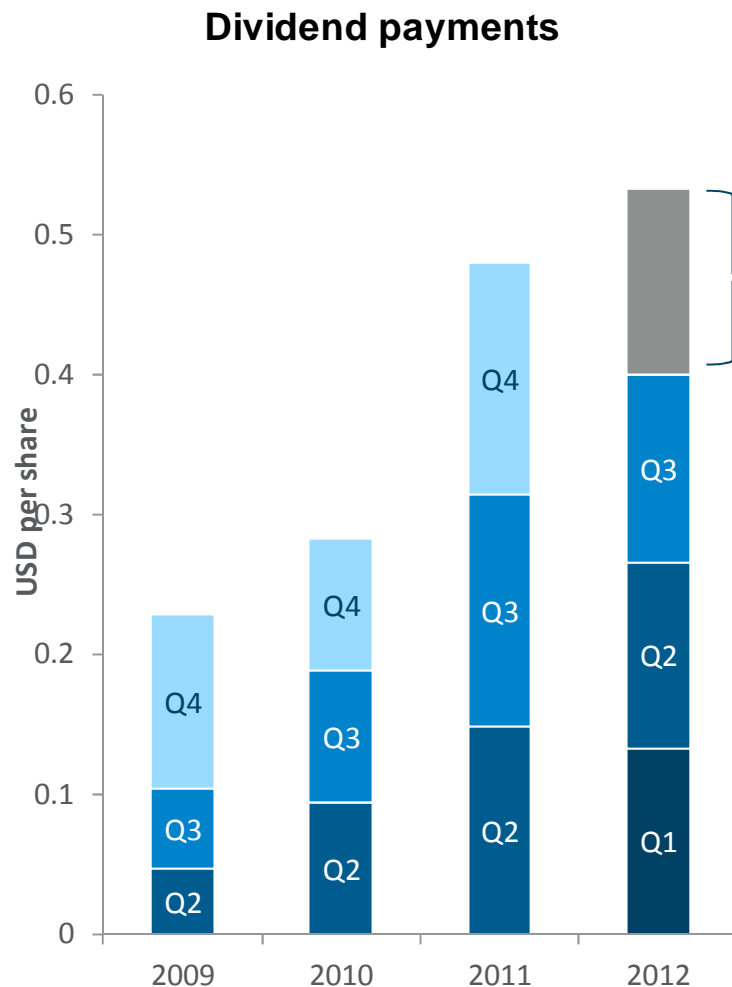
Key figures

	Q2 12	Q1 12	Q2 11	1H 12	1H 11	2011
Operating margin	38.5 %	48.2 %	45.9 %	43.3 %	36.5 %	42.8 %
Equity ratio	34.7 %	35.1 %	31.3 %	34.7 %	31.3 %	33.6 %
Return on equity	30.4 %	40.2 %	49.4 %	35.3 %	27.9 %	36.2 %
Net interest bearing debt (USD million)	674.0	660.1	672.0	674.0	672.0	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	5.98	5.69	5.39	5.98	5.39	5.99
Share price (NOK)	43.05	45.28	40.54	43.05	40.54	40.99
Share price (USD)	7.20	7.96	7.52	7.20	7.52	6.84
Market capitalisation (NOK million)	9 899	10 412	9 322	9 899	9 322	9 425
Market capitalisation (USD million)	1 655	1 830	1 729	1 655	1 729	1 573

Gross debt-to-EBITDA



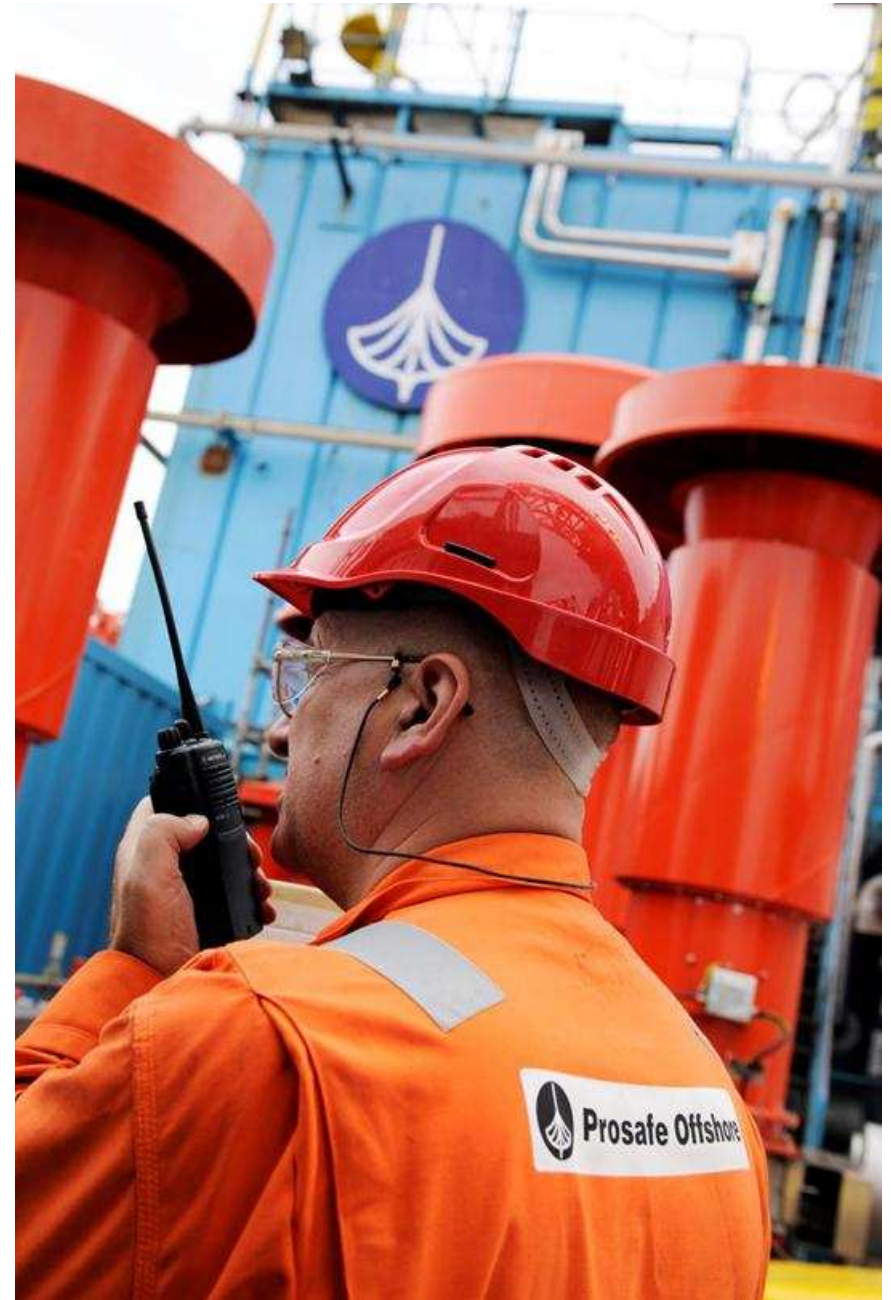
Steady growth in dividend



- An interim dividend equivalent to USD 0.133 per share declared
 - In line with policy of paying out up to 75 per cent of previous years' net profit (2011 EPS USD 0.71)
- The shares will trade ex-dividend on 30 August
- The dividend will be paid in the form of NOK 0.78 per share on 13 September
- Full payout according to the dividend policy in Q4 12 would imply total dividend of USD 0.532 for 2012

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Divestment of Safe Esbjerg

- Agreement on 7 August 2012 to sell Safe Esbjerg
- Total proceeds of USD 55 million
 - USD 38.5 million is payable within 60 days after closing
 - USD 16.5 million will be paid as a three-year term loan
- The divestment of the Safe Esbjerg is in line with Prosafe's strategy of focusing on growth within the high end of the offshore accommodation industry



Safe Boreas progress

- Semi to be built as Norway compliant/harsh environment
- Facilities for 450 persons
- DP3 system as well as a 12 point mooring arrangement
- Delivery from yard planned for Q2 2014
- Awarded a 6 month firm contract (+ options) in Norway in 2015 by Lundin



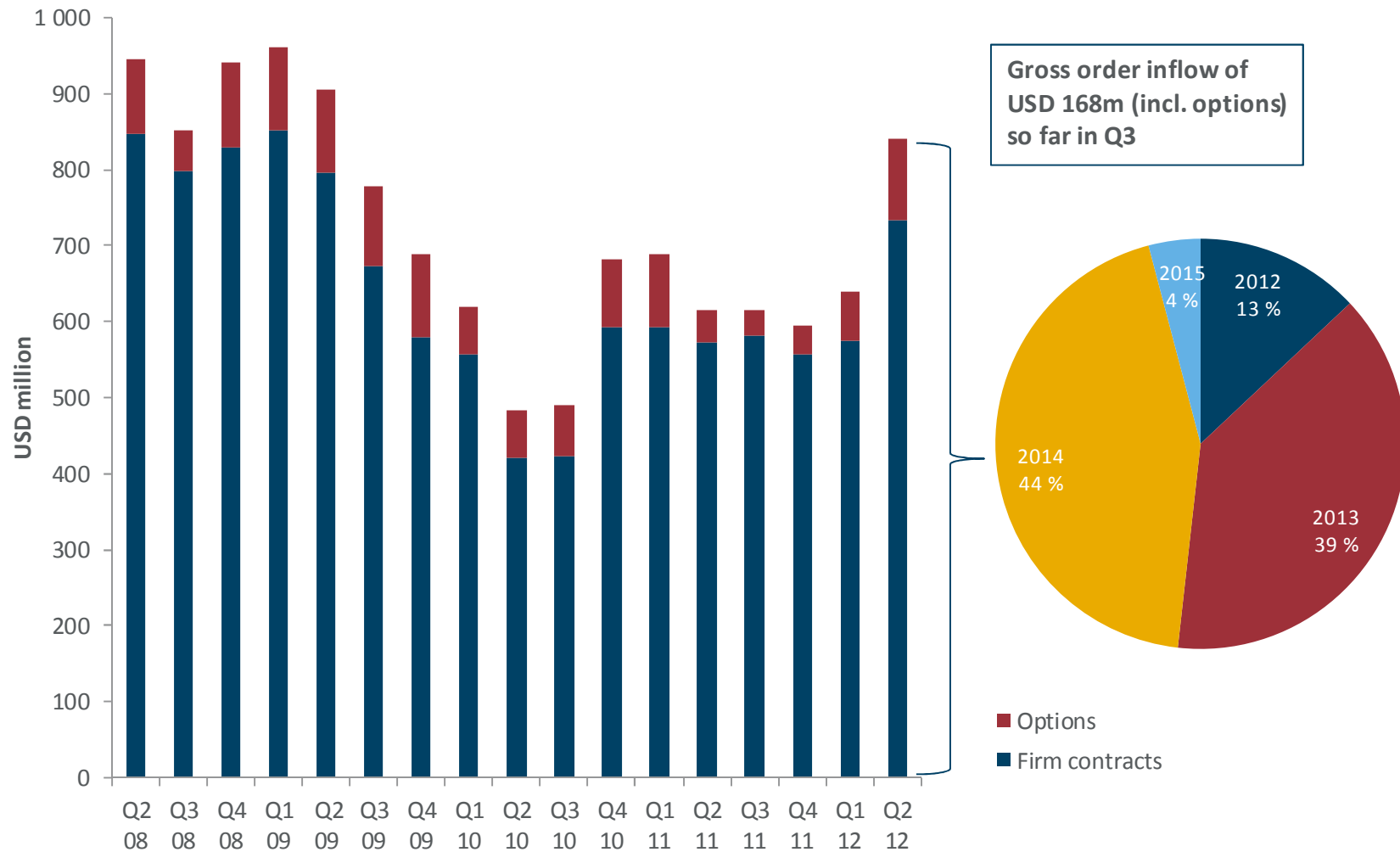
Financial status Q2 12	USDm
Book value o.b.	59
Book value c.b.	64
Capitalised in quarter	5
Estimated total cost	350

Safe Caledonia refurbishment and life extension

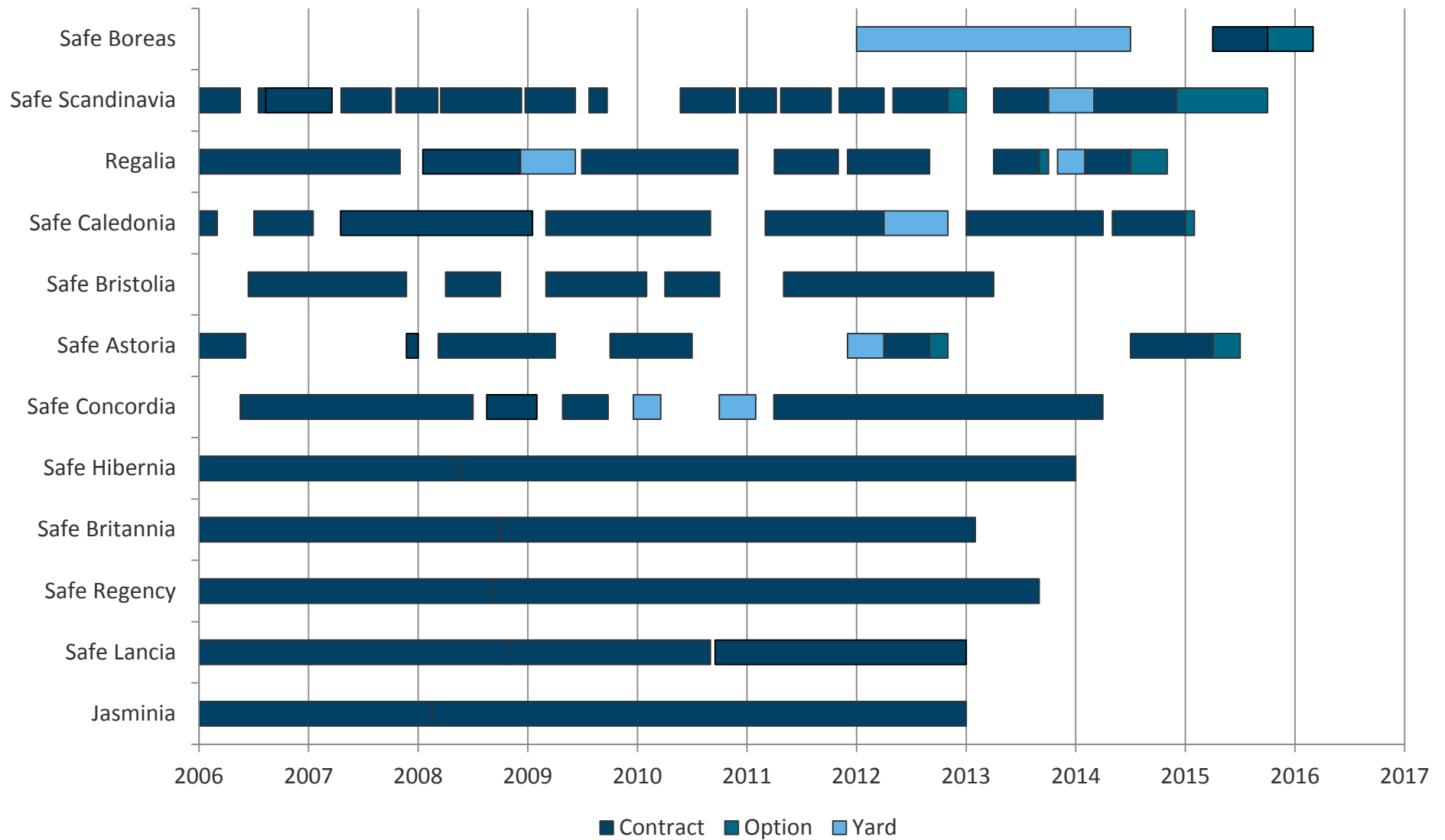
- Caledonia at Remontowa yard
- Rig life to be extended by 20 years
- Cost estimate unchanged at USD 100 million
- Life extension and thereafter sea trials to be completed in Q4 2012
- Contract with BP in the UK North Sea commencing end 2012



Contract backlog

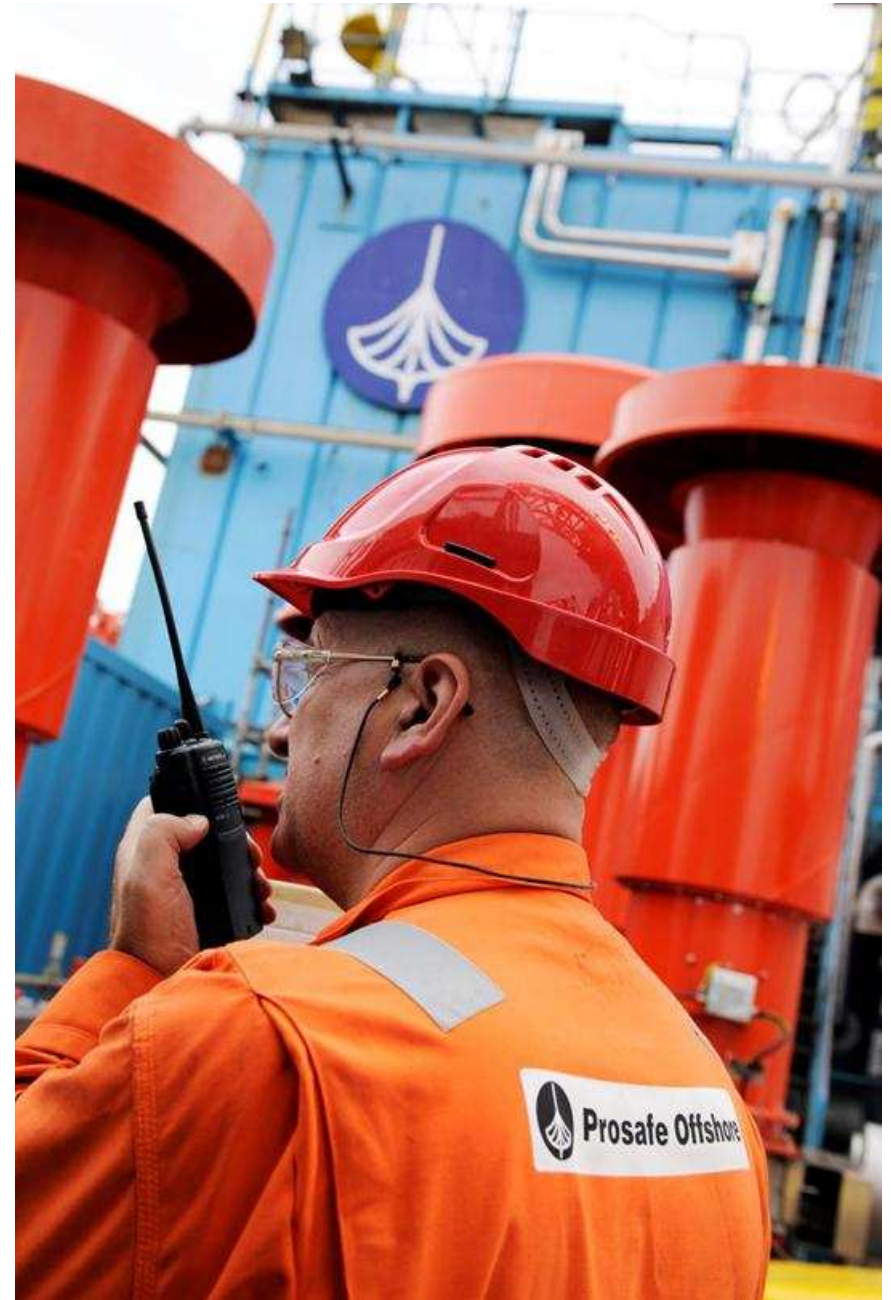


Contract status



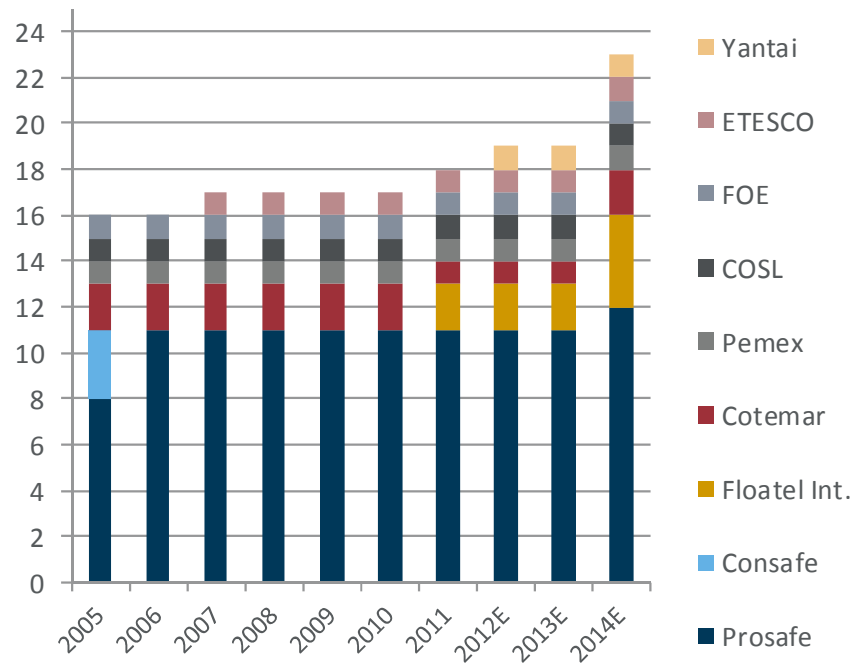
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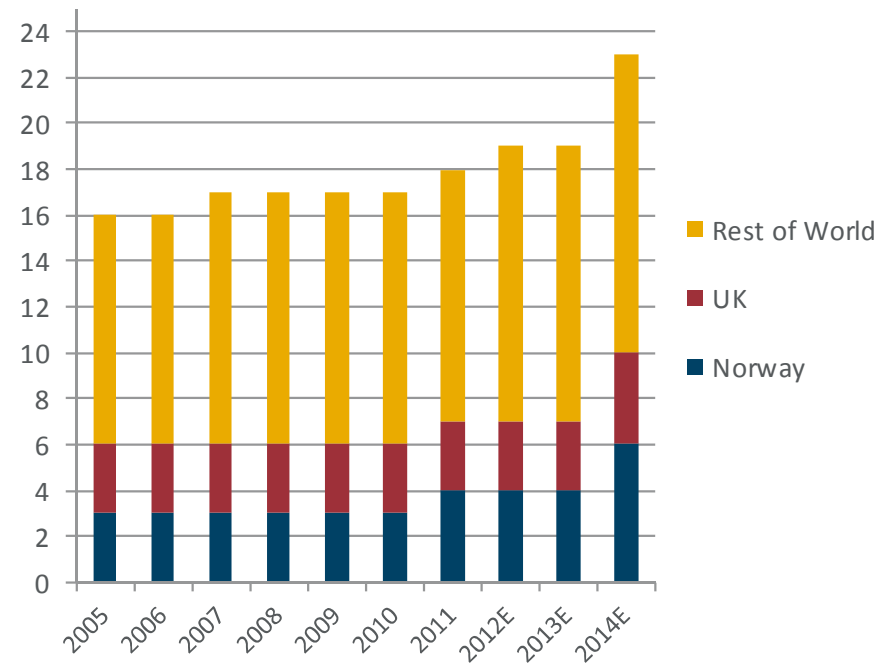


Supply of semi-submersible accommodation rigs

No. of accommodation semis by owner



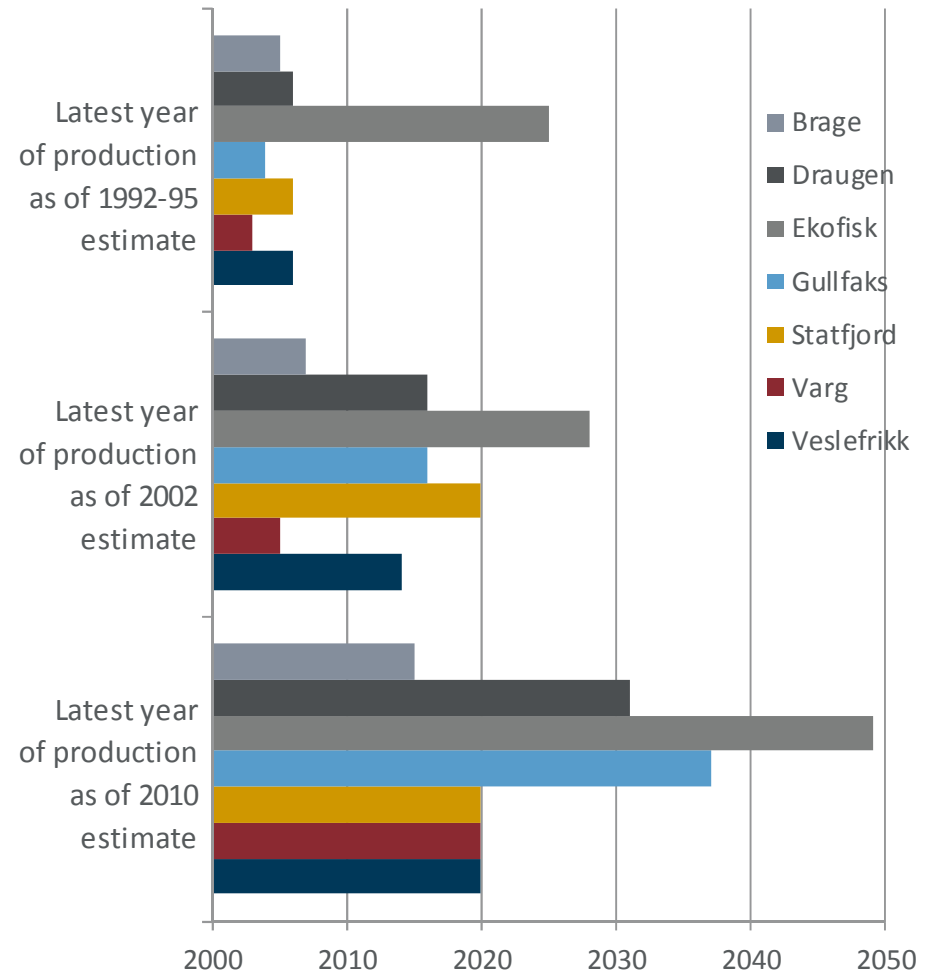
No. of accommodation semis by regional capabilities



Increased Oil Recovery (IOR) a key demand driver

Examples of changes in field life expectancy Norway

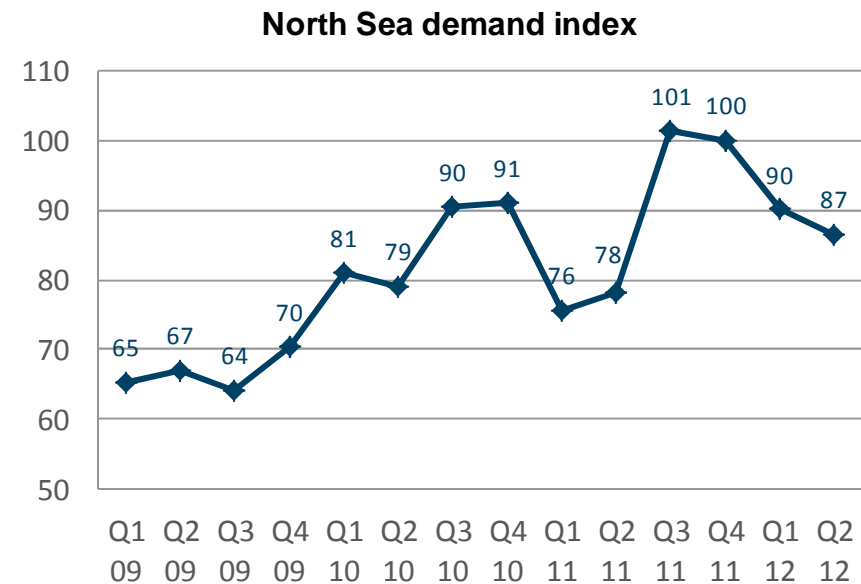
- High focus on IOR resulting in increased field life expectancy
- The majority of Prosafe's contracts for accommodation support is related to producing fields
 - Upgrades and modifications of existing production facilities
 - Special and large maintenance projects
 - Life extension of production infrastructure
 - Tie-ins of new wells to existing facilities



Source: Prosafe / NPD

Demand - North Sea

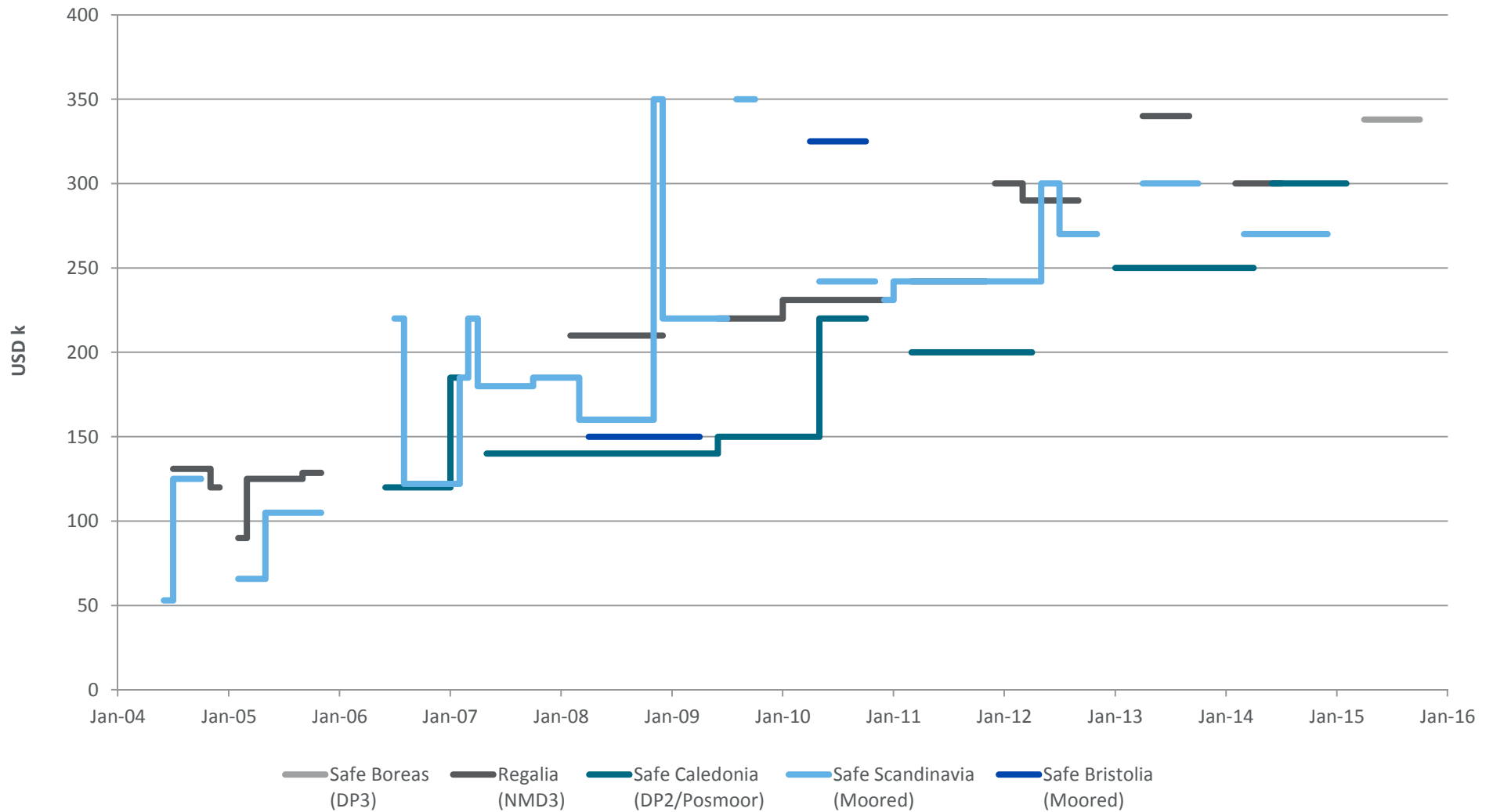
- Demand mostly driven by MMO work and redevelopments
- Strong contract inflow in the 1st half of the year
 - Fair to assume lower inflow in 2nd half



Based on firm contracts, extension options, projects in the tendering phase and prospects for the next 36 months. Index based on number of days in demand. Q4 11 = 100

Source: Prosafe

North Sea dayrates (time charter)

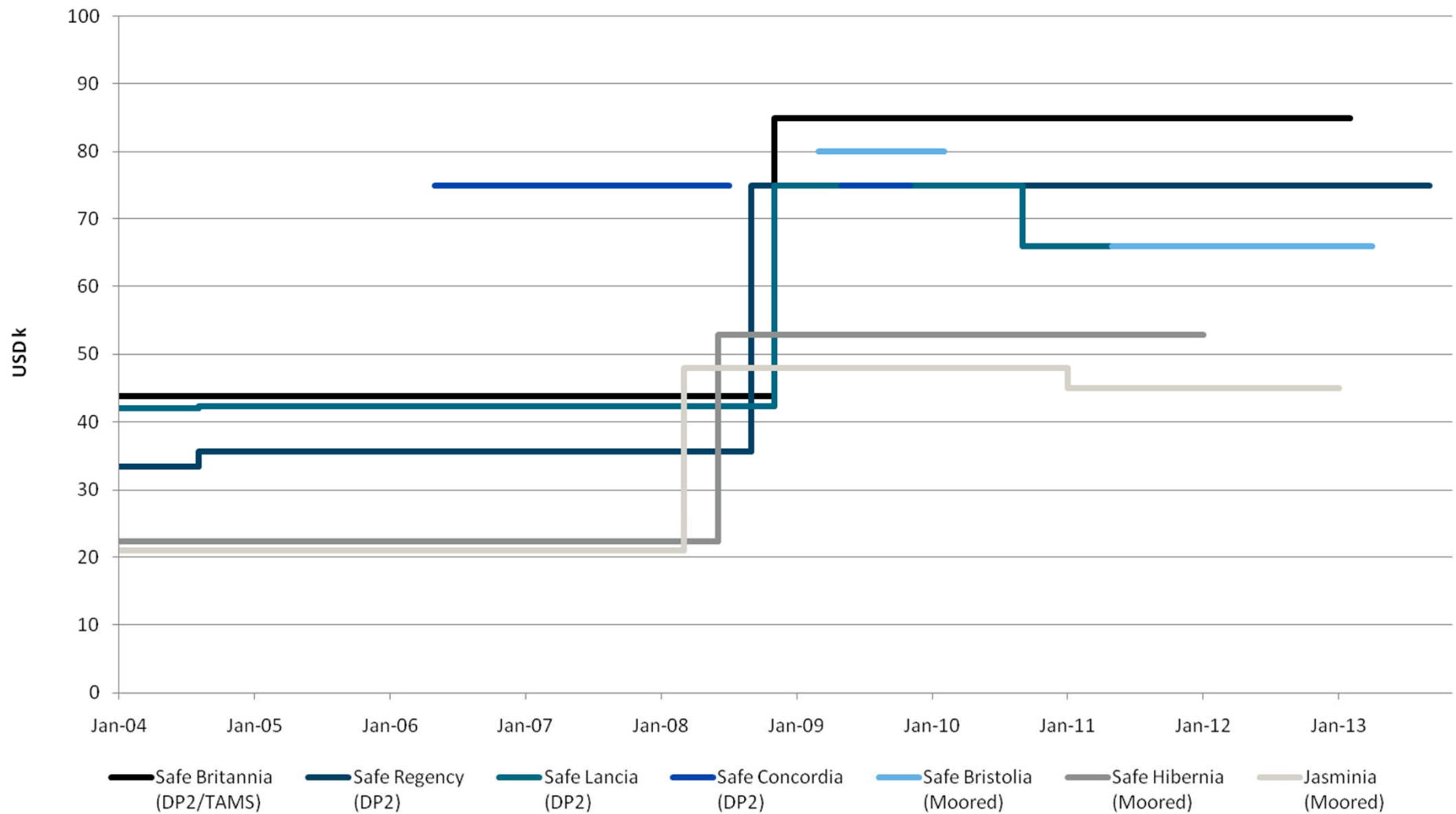


Demand – Mexico

- The activity level in Mexico has increased gradually over the past two-three years
- Pemex has had a growing need for offshore accommodation capacity
- Construction and logistics support around the Cantarell field are the main demand drivers
- Likely that at least the same number of units as seen currently are needed going forward



Gulf of Mexico dayrates (bareboat)



Demand – Brazil

- All the units currently working in Brazil are deployed in the Campos basin, assisting with maintenance and upgrades of existing production infrastructure
- In the longer term, there should be potential for growth related to other basins or other types of work

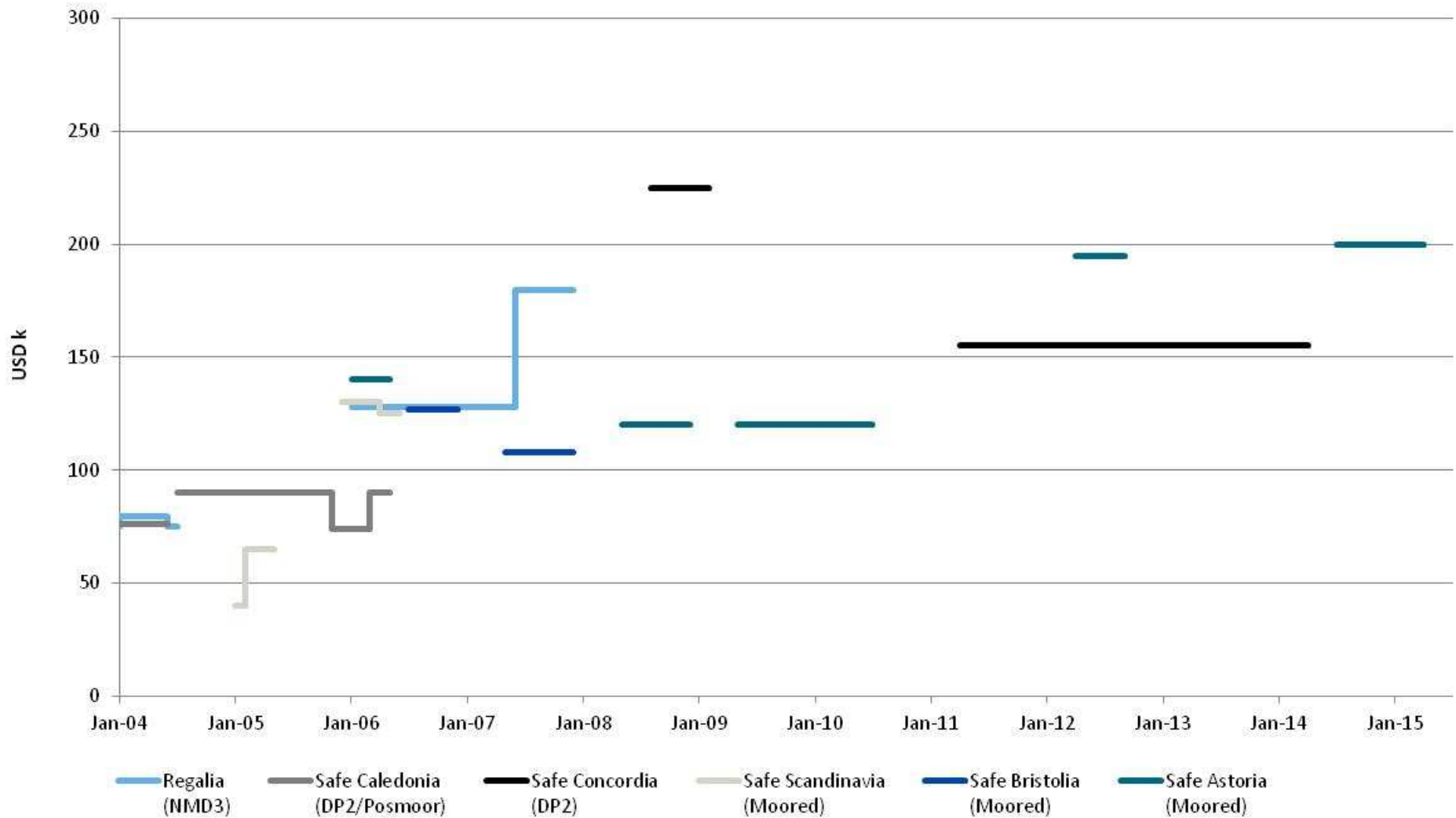


Demand – Asia and Australia

- The market in Australia and Southeast Asia appears increasingly promising
- A decent number of concrete prospects have been identified, particularly in Australia, where weather conditions combined with relatively strict regulatory requirements should favour high-end accommodation units

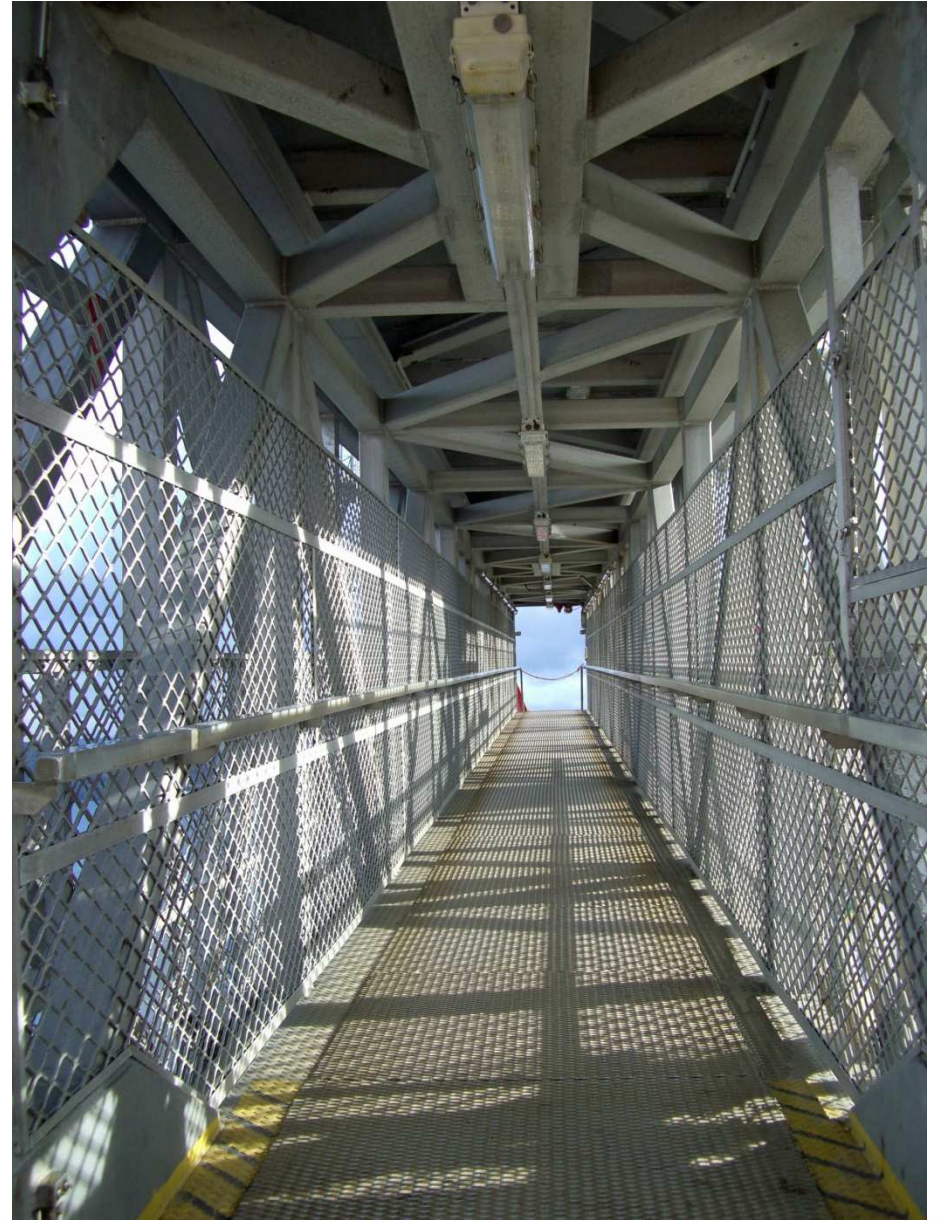


Rest of World dayrates (time charter)



Summary

- High contracting activity so far in 2012
- Market outlook for the next couple of years appears promising
- Prosafe well positioned
 - Clear market leader
 - Long operational track-record
 - High-quality, diversified fleet
 - High dividend combined with fleet growth and renewal



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Debt as of end Q2 2012

- Credit facility
 - New credit facility of USD 1.1 billion in place in August 2011
 - Maturity of six years
 - The applicable margin on the credit facility is 1.875%. This will increase to 2.25% after the 4th year after closing
 - The availability under the credit facility is reduced semi-annually with USD 70 million. Balloon of USD 260 million.
- NOK 500 million bond loan – maturing October 2013 (bought back NOK 139.5 million)
- NOK 500 million bond loan – maturing February 2016
- NOK 500 million bond loan – maturing February 2017

Debt as of end Q2 2012

- Total interest-bearing debt USD 747.4 million:
 - ▣ Credit facility: USD 520 million (long-term)
 - ▣ Bond loan: NOK 360.5 million (USD 60.3 million) (long-term)
 - ▣ Bond loan : NOK 500 million (USD 83.6 million) (long-term)
 - ▣ Bond loan : NOK 500 million (USD 83.6 million) (long-term)

Financial covenants on credit facility

- Maximum leverage ratio of 5.0 and 4.5 after second anniversary
- Minimum liquidity (including up to USD 25 million of undrawn amounts under the credit facility) of USD 65 million in the group
- Minimum value adjusted equity ratio of 35 per cent
- Market value vessels/total commitments above 150 per cent

Shareholders

SHAREHOLDERS AS AT 30.07.2012	No. of shares	Ownership
State Street Bank & Trust (nom)	23 513 172	10.2 %
Folketrygdfondet	18 243 222	7.9 %
Pareto	11 789 838	5.1 %
Goldman Sachs (nom)	11 203 124	4.9 %
State Street Bank & Trust (nom)	10 341 636	4.5 %
FLPS	7 900 000	3.4 %
Prosafe SE	6 975 818	3.0 %
JP Morgan Chase Bank (nom)	6 626 551	2.9 %
KAS Depositary Trust (nom)	5 743 665	2.5 %
Clearstream Banking (nom)	5 544 449	2.4 %
Total 10 largest	107 881 475	46.9 %

The table below shows the 20 largest shareholders as of 22 May 2012 and the change from the previous analysis dated 29 Feb. 2012*

Fund Manager	Shares	Absolute change	% at 22 May 12
Folketrygdfondet	19,193,222	850,041	8.35
M&G Investment Management	18,277,797	5,027,797	7.95
State Street, USA (various underlying investors)	13,465,738	-4,498,716	5.86
Pareto AS	12,666,135	55,400	5.51
H Partners Management	10,348,987	2,690,717	4.50
Fidelity Investments	7,900,000	-539,987	3.44
Invesco Perpetual	7,237,247	-451,107	3.15
Prosafe SE	6,975,818	0	3.03
Swedbank Robur	6,621,587	0	2.88
Henderson Global Investors	5,874,835	-13,980	2.55
Clearstream, Frankfurt (various underlying investors)	5,573,342	-2,296,717	2.42
Delta Lloyd Asset Management	5,205,000	-750,000	2.26
Kempen Capital Management	4,881,160	528,616	2.12
Threadneedle Investments	4,824,823	68,475	2.10
Standard Life Investments	4,701,707	0	2.04
GMO	4,545,097	869,036	1.98
Nordea Fonder (Finland)	3,475,150	-60,276	1.51
Kuwait Investment Office	3,336,886	0	1.45
BNP Paribas Wealth Management	3,128,558	2,558,558	1.36
BNP Paribas Investment Partners	2,892,939	-209,316	1.26
Total for the filtered Fund Managers			65.73

* The data are provided by RD IR and are obtained through an analysis of beneficial ownership and fund manager information provided in replies to disclosure of ownership notices issued to all custodians on the Prosafe VPS share register. Whilst every effort is made to produce what is as accurate an analysis as possible, the true size and nature of some holdings may not be exactly reflected.