Financial information

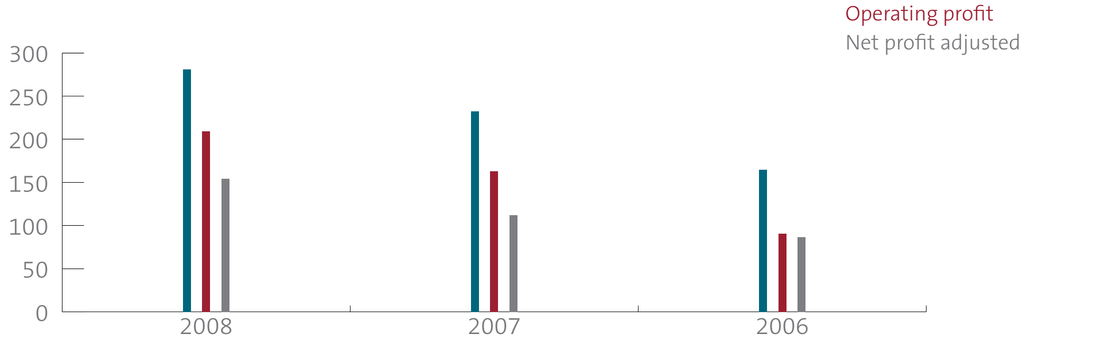
The level of dividend will reflect the underlying financial performance of the company, while taking account of opportunities for further value creation through profitable investment. The target is a distribution of 40- 50 per cent of the company’s net profit paid tri-annually the following year.

Key figures

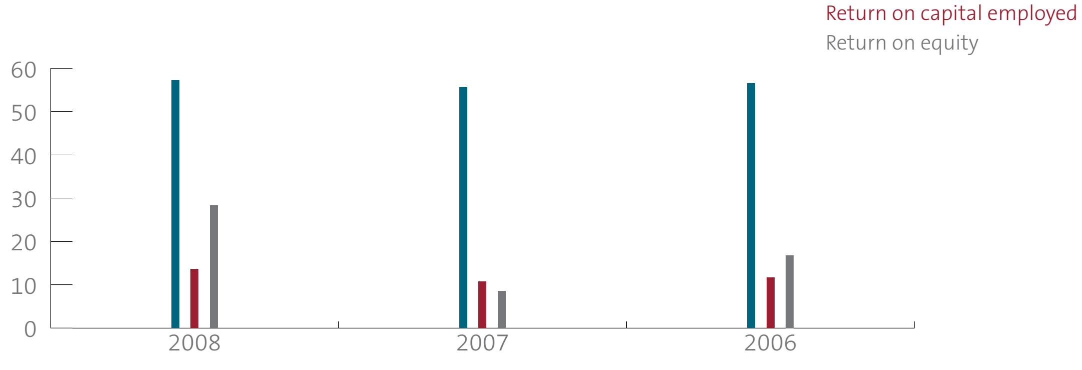
		NOTE	2008	2007	2006
PROFIT					
Operating revenues	USD million	1	491.1	376.7	273.0
EBITDA	USD million	1	281.0	209.4	154.2
Operating profit	USD million	1	232.2	163.0	112.2
Net profit	USD million		202.8	143.7	128.1
Net profit adjusted	USD million	1	164.8	90.8	86.7
Earnings per share	USD	2	0.89	0.63	0.64
Earnings per share adjusted	USD	3	0.72	0.40	0.43
Cash dividends per share	NOK	4	-	0.00	5.00
CASH FLOW					
Capital expenditure	USD million		374.4	456.6	1 023.2
Cash flow	USD million	5	183.3	162.1	232.8
Cash flow per share	USD	6	0.81	0.70	1.16
BALANCE SHEET					
Total assets	USD million		1 313.9	2 624.0	2 145.9
Working capital	USD million		132.3	151.0	57.8
Cash and deposits	USD million		115.6	162.0	147.2
Interest-bearing debt	USD million		958.7	1 351.1	638.9
Net interest-bearing debt	USD million	7	843.1	1 189.1	491.7
Book equity	USD million		124.6	1 038.6	1 089.7
Gearing		8	6.77	1.14	0.45
Interest cover		9	4.92	3.46	4.80
USDNOK			7.00	5.41	6.26
KEY FIGURES					
EBITDA margin	%		57.2	55.6	56.5
Operating margin	%		47.3	43.3	41.1
Return on capital employed	%	10	13.6	10.7	11.6
Return on equity	%	11	28.3	8.5	16.8
Equity ratio	%	12	9.5	39.6	50.8
Dividend yield	%	13	-	-	124.8
Number of shares	1 000 shares		229 937	229 937	229 937
Average no of outstanding and potential shares	1 000 shares		227 667	229 937	201 295
VALUATION					
Market capitalisation	USD million		854	4 016	3 251
Enterprise value	USD million	14	1 697	5 205	3 742
Share price	NOK		26.00	94.50	88.50
Book equity per share	NOK	15	3.79	24.44	29.67
Market value / EBITDA			3.0	19.2	21.1
Market value / Operating profit			3.7	24.6	29.0
Market value / Net profit			4.2	27.9	25.4
Market value / Cash flow			4.7	24.8	14.0
Market value / Book equity			6.9	3.9	3.0

1 Excluding discontinued operations
2 Net profit / Average number of outstanding and potential shares
3 Net profit adjusted / Average number of outstanding and potential shares
4 Shares in Prosafe Production were distributed as a dividend in specie for 2007
5 Cash flow from operating activities
6 Cash flow from operating activities / Average number of outstanding and potential shares
7 Interest-bearing debt - Cash and deposits
8 Net interest-bearing debt / Book equity
9 EBITDA / Interest expenses
10 [Operating profit + Interest income] / [Average total assets - Average interest-free debt]
11 Net profit adjusted / Average book equity
12 Book equity / Total assets
13 Cash dividends per share / Earnings per share
14 Market capitalisation + Net interest-bearing debt
15 Book equity / Number of shares

PROFIT (USD MILLION)



KEY FIGURES (PER CENT)



Shareholder information

The principal objective of Prosafe's shareholder policy is to provide shareholders with a competitive, risk-adjusted return on their shares, through a combination of share price development and direct return in the form of dividend.

Prosafe has over the years paid significant amounts in dividend. For a number of years, special dividends have been paid out, as the free cash flow significantly exceeded the need to invest. The level of dividend will reflect the underlying financial performance of the company, while taking account of opportunities for further value creation through profitable investment. Buy-back of shares will be considered as an alternative to profitable new investment, dividend and extraordinary debt servicing.

In December 2007, the board of Prosafe SE resolved to initiate a process through which the company would be split into two listed companies, one focused accommodation/service rig company (Prosafe SE) and one focused floating production company (Prosafe Production Public Limited).

On 14 May 2008, the annual general meeting of Prosafe SE approved the split of the company. Prosafe Production Public Limited was established as a subsidiary of Prosafe SE. By distributing 90.1 per cent of the shares in Prosafe Production Public Limited to the shareholders of Prosafe SE, the split of the company was achieved.

The shares in Prosafe SE were quoted ex-dividend on the Oslo Stock Exchange (OSE) from 16 May 2008. Distribution of shares took place on 27 May and Prosafe Production Public Limited was listed on the Oslo Stock Exchange on 2 June.

The board of directors will propose to the AGM on 14 May 2009 an amendment to the articles of association, which will allow for interim distribution of dividend. An interim distribution of dividend will allow a better correlation between operating cash flow and dividend payments. This will improve corporate risk management and provide an attractive basis for dividend distribution. The level of dividend will reflect the underlying financial development of the company, while taking account of opportunities for further value creation through profitable investments. The target is a distribution of 40-50 per cent of the company's net profit paid tri-annually the following year. The proposal for dividend payment in 2009 will be based on net profit in 2008.

Equal treatment of shareholders

In order to ensure equal treatment of shareholders, one of Prosafe's aims is to ensure that the stock market is in possession of correct, clear and timely information about company operations and conditions at all times. This is essential for an efficient pricing of shares and for maintaining confidence in the company. Approaches taken to meet this aim include prompt and comprehensive reporting of the company's interim results and annual and quarterly reports. Additionally, information of significance for assessing the company's underlying value and prospects is made available via the Hugin financial information service at www.huginonline.com, as well as on the company's own website. Further details, such as articles of association, contact names, addresses and news about the company, are also available at www.prosafe.com.

Prosafe has been awarded the Oslo Stock Exchange's Information Symbol and English Symbol, established to identify companies which work professionally and systematically to make financial information readily available to investors and other market players, both nationally and internationally.

The company has appointed persons who are authorised to speak to the external market on its behalf concerning various issues. Otherwise, this will be decided on a case-by-case basis.

2008	Number of own shares	VWAP[1)]
Opening balance	110 160	
July	966 800	45.94
September	5 935 600	38.20
7 November[2)]	(1 792)	29.30
19 December[2)]	(9 063)	23.58
Closing balance	**7 001 705**	

1) Volume weighted average price

2) Shares sold to own employees in connection with share purchase programme for employees

A number of Norwegian and foreign stockbrokers provide analyses of the Prosafe share. It is in the company's interests that such analyses are of high quality and based on facts. For that reason, Prosafe places great weight on ensuring that all analysts receive accurate, clear and relevant information, and that they are treated equally regardless of the recommendations they make. A list of analysts who monitor Prosafe is found at www.prosafe.com under Investor information / Analyst coverage.

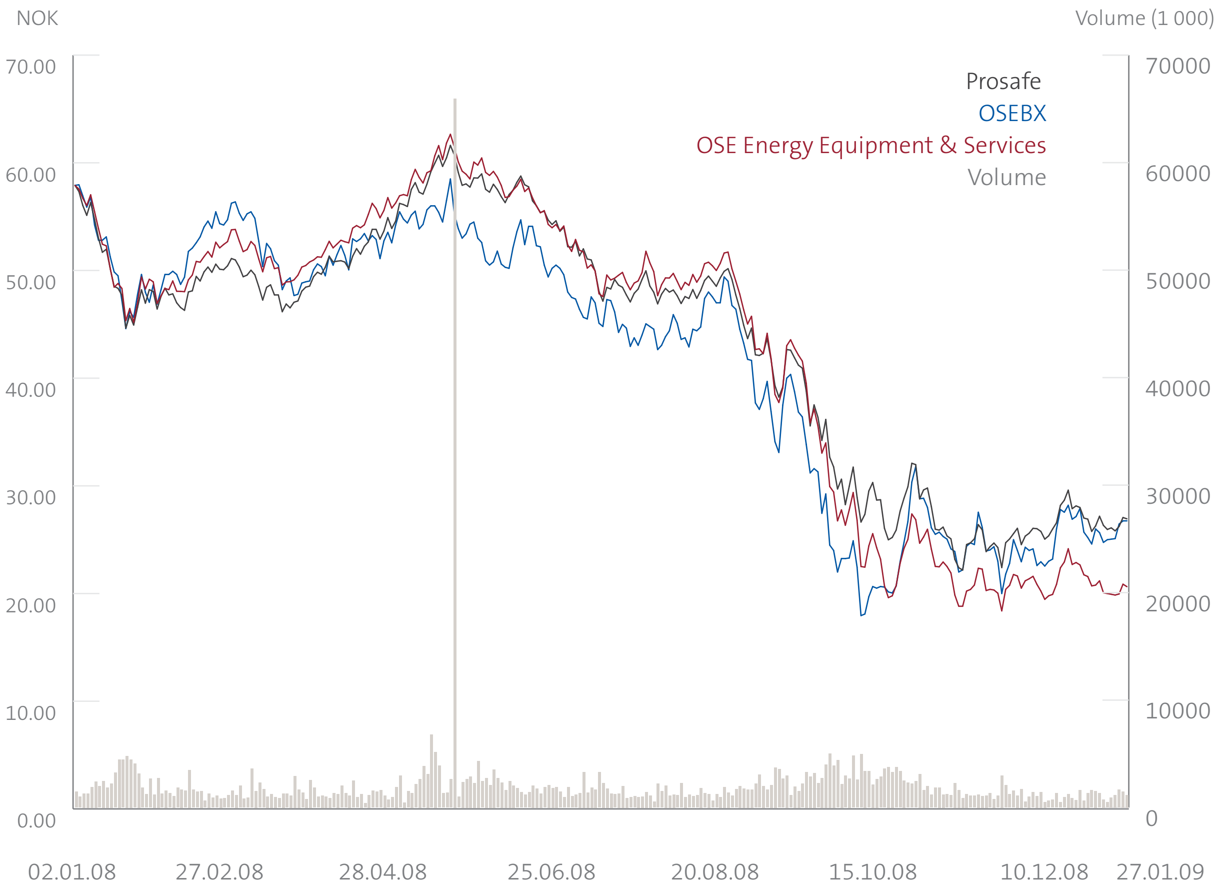
Share capital

The company's share capital totalled EUR 57 484 197.50 as of 31 December 2008, divided between 229 936 790 shares with a nominal value of EUR 0.25 each. In July and September 2008, Prosafe purchased a total of 6 902 400 own shares. Prosafe held 7 001 705 own shares as of 31 December 2008, corresponding to 3.05 per cent of the total. The number of outstanding shares as of 31 December 2008 was 222 935 085. Prosafe shares are listed on the Oslo Stock Exchange (OSE) with ticker code PRS.

Share return

At 31 December 2008, Prosafe's share price was NOK 26, giving the company a market capitalisation of NOK 5.98 billion, which corresponds to USD 854 million. That represents a decrease of 55 per cent during 2008 after adjustment for the dividend in kind. By comparison, the Oslo Stock Exchange's Benchmark index and OSE Energy Equipment & Services index decreased by 54 per cent and 63 per

SHARE PRICE TREND IN 2008



cent respectively over the same period. The graph above shows the performance of Prosafe's share price from 2 January 2008 to 27 January 2009, and the concurrent performance of the Oslo Stock Exchange's Benchmark index and OSE Energy Equipment & Services index over the same period.

The lowest closing price of the Prosafe share during 2008 was NOK 17.95 while the highest closing price was NOK 58.50 during the year.

Share trading and liquidity

Trading value in 2008 amounted to NOK 24 billion (2007: NOK 40 billion), a decrease of 40 per cent. The change from 2007 reflects the split of the company in May 2008, when the Floating Production division was listed as a separate entity on the Oslo Stock Exchange and Prosafe shares were quoted ex-dividend. On average, 2.2 million (2007: 1.77 million) shares were traded per trading day in 2008. The average size of each transaction was NOK 82 600.

High liquidity is important in order to enable investors to buy and sell Prosafe shares. A total of 549 million shares changed hands in 2008 (2007: 444 million). Turnover velocity was 234 per cent in 2008 (2007: 193 per cent).

KEY SHARE DATA

	2008
Number of shareholders	4 691
Share price at 31 Dec (NOK)	26
Shares issued at 31 Dec (1 000)	229 937
Market cap at 31 Dec (NOK million)	5 980
Turnover (NOK million)	23 812
Number of transactions	288 265
Turnover rate (%)	234

HISTORICAL KEY SHARE DATA BEFORE SPLIT OF THE COMPANY IN MAY 2008

	2007	2006	2005	2004	2003	2002
Number of shareholders	4 599	4 051	3 577	3 843	3 556	3 031
Share price on 31 Dec (NOK) [1)]	94.50	88.50	57.30	32.80	26.80	18.90
Shares issued on 31 Dec (1 000) [1)]	229 937	229 937	170 485	170 215	169 790	169 790
Market cap on 31 Dec (NOK million) [1)]	21 729	20 349	9 769	5 583	4 550	3 209
Turnover (NOK million)	40 458	32 880	11 000	5 963	4 602	2 832
Number of transactions	239 423	137 737	52 774	21 153	14 781	12 738
Turnover rate (%)	193	217	149	113	110	71

[1)] Figures for 2002 - 2005 are adjusted for the 1:5 share split which took place in December 2006. Figures for 2002-2007 are not adjusted for the dividend in kind (shares in Prosafe Production Public Limited) that was distributed in May 2008.

OSE INDICES

The Prosafe share was included in the following Oslo Stock Exchange indices and international indices as of 10 February 2009:

Name	Ticker	Weighting
OBX Total Return Index	OBX	1.628%
OSE Benchmark Index	OSEBX	1.472%
OSE All-share Index	OSEAX	0.655%
OSE Mutual Fund Index	OSEFX	2.460%
OSE10 Energy	OSE10G	1.174%
OSE1010 Energy	OSE1010G	1.174%
OSE101010 Energy Equip. & Serv.	OSE101010G	5.64%
Dow Jones STOXX 600	SXXP	0.029%
Dow Jones STOXX 600 Oil & Gas	SXEP	0.177%

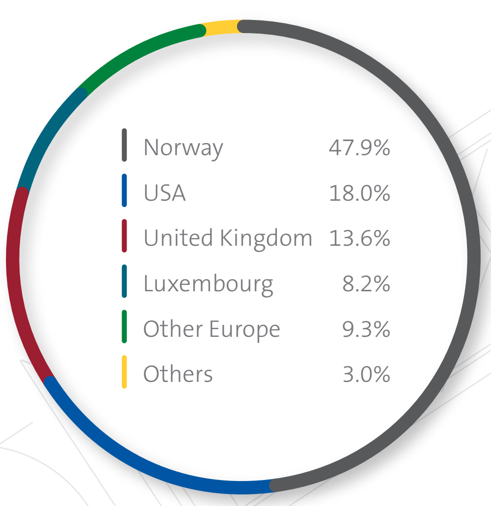
Shareholder composition

At 31 December 2008, Prosafe had 4 691 registered shareholders from 39 countries.

SHAREHOLDER COMPOSITION AS OF 31 DECEMBER 2008

Name	No of shares	Percentage
Folketrygdfondet	22 342 235	9.72%
GMO	10 101 588	4.39%
Brown Brothers Harriman	8 167 816	3.55%
Pareto	7 914 150	3.44%
Rasmussengruppen AS	7 664 307	3.33%
Prosafe SE	7 001 705	3.05%
Clearstream Banking	6 194 484	2.69%
State Street Bank	5 717 179	2.49%
Bank of New York	4 983 540	2.17%
RBC Dexia Investors	4 308 215	1.87%
Storebrand	4 256 385	1.85%
DNB NOR	3 947 450	1.72%
JPMorgan Chase Bank	3 838 632	1.67%
Bank of New York	3 457 364	1.50%
BGL	3 373 927	1.47%
JPMorgan Chase Bank	3 302 085	1.44%
JPMorgan Chase Bank	3 248 000	1.41%
Citibank N.A.	3 197 280	1.39%
Goldman Sachs Int.	2 818 927	1.23%
KAS Depositary Trust	2 581 476	1.12%
Total 20 largest	**118 416 745**	**51.50%**
Total no of shares	**229 936 790**	

GEOGRAPHICAL DISTRIBUTION OF SHAREHOLDERS AT 31 DECEMBER 2008



Financial calendar

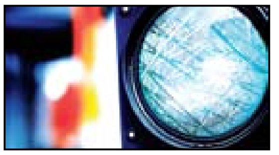
Prosafe will publish its interim results on the following dates:

1st quarter 2009:	15 May 2009
2nd quarter 2009:	27 August 2009
3rd quarter 2009:	5 November 2009
4th quarter 2009:	18 February 2010

The annual general meeting will be held in Cyprus on 14 May 2009.

Analytical information

It is Prosafe's key aim to encourage the broadest possible coverage and interest in the company through providing sufficient information on a timely basis to stock market participants.



Prosafe does not want to provide guidance on assessments or methodologies for judging the underlying value of the group's business. It prefers leaving the valuation of the company to the capital market, based on assessments of operations, developments, market prospects and other information in the public domain. The capital market has traditionally based its valuation of Prosafe on a combination of net asset value and earnings-based methods.

Debt service

As of 31 December 2008, the group's interest-bearing debt totalled USD 960 million. Of this, unsecured bond loans accounted for USD 110 million and bank loans secured by mortgages for USD 850 million. The bond debt is divided into two loans of NOK 411 million maturing March 2010 and USD 50 million maturing March 2012. These loans are listed on the Oslo Stock Exchange with ticker codes PRS02 and PRS03, respectively.

The prices estimated by the Norwegian Securities Dealers Association as of 31 December 2008 were 92.50 for PRS02 and 86.02 for PRS03 (par value 100.00).

In connection with the split of Prosafe in May 2008, the company secured a new credit facility. The credit facility initially had a total availability of USD 1.1 billion and a maturity of seven years. The availability under the credit facility will be reduced semi-annually by USD 70 million, starting November 2008. In May 2009, the credit facility will be reduced to USD 960 million. Based on a drawn amount of USD 850 million at the end of the fourth quarter of 2008, the first mandatory reduction will be in May 2010.

Applicable margin on the credit facility was 0.85 per cent per annum in 2008. From 2009 onwards, it will vary in the range from 0.65 per cent to 0.95 per cent per annum depending on leverage ratio. The leverage ratio is defined as the ratio of total debt to 12 month historical EBITDA.

DEBT SERVICE

	Amount drawn	Maturity	Interest	Loan margin
PRS02	NOK 411 million	March 2010	floating	1.15%
PRS03	USD 50 million	March 2012	floating	1.40%

Financial covenants on the credit facility:
- Minimum cash of USD 65 million in the group.
- Maximum leverage ratio of 5 (4.5 following the second annum after closing, i.e. in May 2010) .
- Minimum value adjusted equity ratio of 35 per cent.
- Market value vessels/total commitments above 150 per cent.
- Working capital (including unutilised credit lines with maturity in excess of 12 months) larger than zero.

The only financial covenant on the bond loans is that adjusted shareholder equity on a consolidated basis in relation to the borrowers' total consolidated liabilities must be above 35 per cent.

Prosafe has during 2008 been in compliance with all financial covenants.

Investment and required return
Since its formation in 1997, Prosafe has been through a period of major investments in the form of organic growth and acquisition of companies.

Prosafe assesses new projects and investments on the basis of expected return in relation to risk. The required rate of return is calculated on the basis of the specific project's strategic and financial risk.

Prosafe does not normally have ordinary maintenance investment on the rigs that are on long-term bareboat contracts in Mexico, since this is taken care of by the bareboat charterer. Given today's fleet and contract coverage, ordinary maintenance investment will typically be about USD 25-30 million per annum for the company.

In addition, value-enhancing investments will from time to time be made in the different accommodation rigs, both larger and smaller in size. The MSV *Regalia* refurbishment and life extension project started in 2008 and will be finished in May 2009.

Solid order backlog
Orders in hand as of 31 December 2008 were USD 800 million (31 December 2007: USD 500 million), of which about USD 340 million relates to 2009. In addition, there are options for contract extensions worth in excess of USD 100 million.

End January 2009, orders in hand totalled USD 830 million, of which about USD 360 million relates to 2009. The major part of the order backlog in 2011-2013 is related to the bareboat contracts in Mexico. Prosafe does not have operating costs for rigs on bareboat contracts, meaning that the order backlog from these contracts is direct EBITDA contribution.

End January 2009, a rig utilisation factor of 83 per cent had been secured for 2009.

Further details about the contract status is found in the chapter Operations on page 49.

ORDER BACKLOG AS OF END OF JANUARY 2009