

Smedvig

Statements of Cash flows

| | 1Q03 | 2002 | 1Q02 |
|---|------------|-------------|-------------|
| Cash Flows from operating activities | | | |
| Net income | 2 | -802 | 129 |
| <i>Adjustment to reconcile net income to net cash provided by operating activities:</i> | | | |
| Depreciation and expenses for periodic overhauls | 99 | 528 | 141 |
| Write-down of assets | 0 | 1 313 | 0 |
| Gains on sale of assets | 0 | -330 | 0 |
| Change in working capital | 18 | -64 | -183 |
| Net cash provided by operating activities | 119 | 645 | 87 |
| Net cash provided by (used in) investing activities | -97 | 101 | -39 |
| Net cash used in financing activities | -37 | -999 | -180 |
| Effect of exchange rate changes on cash and cash equivalents | 8 | -79 | 0 |
| Net increase (decrease) in cash and cash equivalents | -7 | -332 | -132 |
| Cash and cash equivalents at beginning of year | 598 | 930 | 930 |
| Cash and cash equivalents at end of period | 591 | 598 | 798 |

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Income statements

| <i>Unaudited accounts in NOK mill</i> | 4Q02 | 1Q03 | 1Q02 | 2002 |
|---------------------------------------|----------------|--------------|--------------|----------------|
| Revenues | | | | |
| Revenues | 807 | 705 | 879 | 3 354 |
| Total revenues | 807 | 705 | 879 | 3 354 |
| Operating expenses | | | | |
| Personnel expenses | (387) | (355) | (345) | (1 465) |
| Operating expenses | (262) | (206) | (251) | (1 025) |
| Depreciation | (106) | (85) | (122) | (451) |
| Total operating expenses | (755) | (646) | (718) | (2 941) |
| Operating profit | 52 | 59 | 161 | 413 |
| Interest income | 7 | 4 | 14 | 28 |
| Interest expense | (60) | (39) | (46) | (224) |
| Other financial items | (22) | (12) | 23 | 27 |
| Net financial items | (75) | (47) | (9) | (169) |
| Income before other items | (23) | 12 | 152 | 244 |
| Other items | | | | |
| Write-down and gain on sale of asset | (962) | 0 | 0 | (962) |
| Income before income taxes | (985) | 12 | 152 | (718) |
| Income taxes | (45) | (10) | (23) | (84) |
| Net income | (1 030) | 2 | 129 | (802) |
| Earnings per share | (12,54) | 0,03 | 1,57 | (9,74) |
| Diluted earnings per share | (12,54) | 0,03 | 1,57 | (9,74) |

| Mobile Units Division | | | |
|------------------------------|-------|--------------|-------|
| NOK million | 4Q02 | 1Q03 | 1Q02 |
| Revenues | 333 | 300 | 385 |
| Operating expenses | (318) | (261) | (276) |
| Depreciation | (77) | (56) | (86) |
| Operating profit | (62) | (17) | 23 |
| EBITDA* | 27 | 46 | 120 |

*Earnings before interests, taxes, depreciation and amortization

| Tender Rigs Division | | | |
|-----------------------------|-------|--------------|-------|
| NOK million | 4Q02 | 1Q03 | 1Q02 |
| Revenues | 241 | 191 | 300 |
| Operating expenses | (121) | (109) | (145) |
| Depreciation | (25) | (25) | (31) |
| Operating profit | 95 | 57 | 124 |
| EBITDA* | 127 | 89 | 163 |

*Earnings before interests, taxes, depreciation and amortization

| Platform Drilling Division | | | |
|-----------------------------------|-------|--------------|-------|
| NOK million | 4Q02 | 1Q03 | 1Q02 |
| Revenues | 233 | 214 | 194 |
| Operating expenses | (210) | (190) | (173) |
| Depreciation | (4) | (4) | (5) |
| Operating profit | 19 | 20 | 16 |
| EBITDA* | 23 | 24 | 21 |

*Earnings before interests, taxes, depreciation and amortization

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Balance sheets

Unaudited accounts in NOK million

| | 31.03.03 | 31.12.02 | 31.03.02 |
|---|--------------|--------------|---------------|
| <i>Long-term assets</i> | | | |
| Deferred taxes | - | - | 117 |
| Mobile units and tender rigs | 5 510 | 5 283 | 7 888 |
| Other tangible assets | 288 | 295 | 410 |
| Financial fixed assets | 259 | 253 | 163 |
| Total long-term assets | 6 057 | 5 831 | 8 578 |
| <i>Current assets</i> | | | |
| Receivables | 986 | 1 105 | 1 067 |
| Short-term investments | 18 | 28 | 133 |
| Cash and cash equivalents | 591 | 598 | 798 |
| Total current assets | 1 595 | 1 731 | 1 998 |
| Total assets | 7 652 | 7 562 | 10 576 |
| <i>Shareholders' equity</i> | | | |
| Paid-in capital | 2 545 | 2 555 | 2 556 |
| Retained earnings | 1 013 | 824 | 2 583 |
| Total shareholders' equity | 3 558 | 3 379 | 5 139 |
| <i>Liabilities</i> | | | |
| Provisions | 269 | 255 | 136 |
| Long-term interest bearing debt | 2 896 | 2 805 | 4 285 |
| Current liabilities | 929 | 1 123 | 1 016 |
| Total liabilities | 4 094 | 4 183 | 5 437 |
| Total shareholders' equity and liabilities | 7 652 | 7 562 | 10 576 |