3rd quarter - 2009

PetroMENA has entered into EPC contracts with Jurong Shipyard for the construction of three 6th generation semi-submersible drilling rigs. The semi rigs have an operating water depth capacity of 7,500 - 10,000 ft. The units thus meet design criteria for operation in areas such as Gulf of Mexico (GoM), Brazil and West Africa. All rigs will be equipped for harsh environment operations, but will initially not be designed for arctic operations. The first rig was sold in the second quarter 2009 (PetroRig I), the second rig was sold in the third quarter while PetroRig III is scheduled for delivery in first quarter 2010 (PetroRig III).

PetroMENA also owns the upgraded 2nd generation semisubmersible drilling rig SS Petrolia.

SS Petrolia started on a 913 day contract for Pemex in the Gulf of Mexico on 3 February 2008.

Larsen Oil & Gas Ltd is manager for PetroMENA and drilling contractor for PetroMENA’s rigs.

PetroMENA ASA third quarter 2009 preliminary result

Legal Status

On 3 April 2009, Norsk Tillitsmann (NT), on behalf of the bondholders, declared the bonds on PetroRig I, II and III to be in default. The bonds were secured through the shares in the PetroMENA ASA's ("PetroMENA" or the "Company") subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd as well as the rig construction contracts. The contract operated by SS "Petrolia" was put up as additional collateral for the FRN bond on PetroRig III, and NT has taken actions in the UK towards the manager LOG Ltd, to secure the revenue stream from the contract.

Subsequently the Boards of PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd were replaced 10 April 2009, by NT with people appointed by NT. On 17 May 2009 NT also filed for Chapter 11 protection under New York Bankruptcy court for PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd, which were accepted by the court even without any particular connection for the companies to the US.

PetroRig I was sold, by Jurong shipyard, for approximately USD million 460 in the end of June 2009 and approximately USD million 205 was transferred to the bankruptcy administrators. The settlement from the sale is still pending in the Bankruptcy court in New York, expected to have a final distribution among the creditors in Q1/2010. PetroMENA has not received copies of the relevant contracts from the sale from Jurong to Diamond yet. Both Jurong and other parties have been contacted to obtain these contracts.

PetroRig II was sold on an auction conducted by the Chapter 11 attorneys, Akin Gump in New York, bringing the estate of PetroRig II USD 489 million (including USD 251 million owed to Jurong). The settlement from the sale is still pending in the Bankruptcy court in New York, expected to have a final distribution among the creditors in Q1/2010.

PetroRig III is as of 5 November 2009 set up for auction to be conducted in the same manner as for PetroRig II, taking place in New York 3 December 2009. There is a minimum sales price on the rig for USD 523.9 million, set by the bankruptcy court in New York. The settlement from the sale in the Bankruptcy court in New York is expected to have a final distribution among the creditors in Q1/2010.

PetroMENA has during the Chapter 11 proceedings been working to find good and lasting solutions for the Rigs. Restructuring plans have been forwarded to NT. PetroMENA has not been successful in obtaining such solutions with the parties involved.

PetroMENA is considering legal actions against the parties involved.

Suspension of trading on Oslo Stock Exchange

On May 28, 2009 the company's shares were suspended from the exchange until further notice. The decision was made in light of the current situation and development of PetroMENA and its subsidiaries, and in particular PetroMENAs capacity to comply with the Continuing obligations (Section 3 - Continuing duty of disclosure). The Exchange will continue to review the situation and will inform the market accordingly if the status changes.

Operation and business management

PetroMENA has entered into EPC contracts with Jurong Shipyard for the construction of three 6th generation semi-submersible drilling rigs. The semi rigs all have an operating water depth capacity of 7,500 - 10,000 ft. The units will thus meet design criteria for operation in areas such as Gulf of Mexico (GoM), Brazil and West Africa. All rigs will be equipped for harsh environment operations, but will initially not be designed for arctic operations. Jurong Shipyard completed the construction of the semi-submersible rig, PetroRig I and PetroRig II for delivery in April 2009 and September 2009. However, as an agreement could not be reached on certain proposed amendments to the loan agreements with its bondholders, PetroMENA was not in a position to take delivery of PetroRig I and PetroRig II. Both rigs was sold from the yard to Diamond end of June 2009 and September 2009. PetroRig III is scheduled for delivery in first quarter 2010.

PetroMENA also owns the upgraded 2nd generation semisubmersible drilling rig SS Petrolia. SS Petrolia started on a 913 day contract for Pemex in the Gulf of Mexico on 3 February 2008.

Larsen Oil & Gas Ltd is manager for PetroMENA and drilling contractor for PetroMENA's rigs.

PetroMENA has secured long-term drilling contract with Pemex for PetroRig III. The gross value of the contract is estimated to be approximately USD 942 million, respectively, excluding options and possible bonus. The contract will commence upon delivery of the rig from Jurong Shipyard. There have been no lost time accidents on the planning and construction of the rigs. Jurong Shipyard Pte Ltd has delivered three semis in a series of seven units of the Friede Goldman Design. Delivery was on budget and time and proves the shipyard's ability to deliver complex turnkey contracts.

The gross value of the current 913-day contract undertaken by SS Petrolia equals approximately USD 269 million.

Financial Information

(All figures in USD million)

Highlights

On 3 April 2009, Norsk Tillitsmann (NT), on behalf of the bondholders, declared the bonds on PetroRig I, II and III to be in default. Subsequently the Boards of PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd were replaced 10 April 2009, by NT with people appointed by NT.

According to definitions of control in IAS 27 PetroMENA considers that control over the subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd has been lost without a change in absolute or relative ownership levels. Although PetroMENA is no longer in control of the Singapore subsidiaries, it will report Q3 numbers based on best available information (best estimate). The subsidiaries are however not consolidated in, but are presented as investment in subsidiaries in the consolidated statement of financial position. The net proceeds from these investments are reclassified against short term portion of non current liabilities.

Several of the pledges securing the Bond Loan Agreements governed by Norwegian law were enforced by virtue of the pledge taking control over the shares under the Singapore share pledge agreements and taking control over the mortgages of the construction contracts, in April 2009. PetroMENA ASA has not been in control of neither the rig owing companies nor the construction contracts. For all practical purposes the bondholders have decided how and when realization of the actual assets were and will be carried out. The situation is impeded by the opening of US Chapter 11 proceedings in the subsidiaries. PetroMENA ASA has neither nor received financial reports from the subsidiaries and/or the court in US dealing with the Chapter 11 proceedings. The realization of the various pledges has become a complex situation involving enforcement and realization regulations from different legal regimes.

The Board notes that under Norwegian law, a pledge will be held to have enforced the pledge either when the pledged assets have been acquired, or sold by virtue of a compulsory sale. Considered that pledged assets under Norwegian law cannot be controlled without being enforced and thus realized, the Board has held the date when the *de facto* control over the pledged assets was undertaken as the realization and hence valuation time. The Board has not yet been able to assess and determine which jurisdiction that is decisive for determining the time of realization, and has further not been able to assess when the share pledges are considered realized under the various deciding jurisdictions. The time for realization, and thus valuation of the remaining claims, is by the Board at this point therefore held to be when actual control was taken over the pledged assets in April 2009.

Through NT enforcement of their share pledge of the bond loans PetroMENA has recalculated accrued interests and currency to the time for their enforcement.

The date when control is considered lost is set to be April 10, 2009 in the accounts. Hence the subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd are not consolidated in the second and third quarter 2009. PetroMENA's investment in the subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd are presented as investment in subsidiaries in the consolidated statement of financial position.

Assets and liabilities in subsidiaries were derecognised as from April 1, 2009. Investments in subsidiaries are valued in the balance sheet to estimated future proceeds from realisation of assets in the subsidiaries. The difference between the estimated proceeds from the disposal of the subsidiaries and its carrying amount as of April 1, 2009 are recognized in the consolidated income statement as loss on the disposal of the subsidiaries. Estimated sales price are updated in 3rd quarter with actual sales price for PetroRig II and minimum sales price for PetroRig III USD 523.9 million, set by the bankruptcy court in New York.

Profit and loss

Year to date 2009

PetroMENA's revenues in the first nine months 2009 was USD million 71.2 compared to USD 54.6 million in the same period 2008. Revenues in the first nine months relates to SS Petrolia's contract with Pemex. SS Petrolia has performed well under the contract with Pemex during 2009.

Operating profit before depreciation was USD 6.4 million in the first nine months 2009 compared to USD 11.5 million in the same period 2008. During 2009 the contribution from SS Petrolia to operating profit before depreciation was approximately USD 37.4 million. SS Petrolia is expected to perform in line with first nine months performance going forward.

PetroMENA's operating expenses were USD 64.8 million and include operating expenses for SS Petrolia with USD 33.8 million, rig expenses related to PetroRig I, II and III per 31.03.09 with USD 13.4 million and loss on derecognising of assets and liabilities in subsidiary with USD 3.5 million. Other expenses of USD 14.1 million include management services under the contracts with LOG, layer expenses and various other administrative expenses. Depreciation, USD 11.5 million in the first nine months 2009 relates to the 2nd generation semi-submersible drilling unit. Depreciation year to date 2008 was USD 10.0 million, depreciation started 3rd of February 2008.

Net financial expenses year to date 2009 are USD -99.8 million. Net financial expenses includes accruals for redemption price of USD 34.3 million related to full redemption of the 9.75 % and the 10.85% bond loans, in addition to this USD 9.8 million of fee on the bond loans are expensed in year to date 2009. Net financial expenses also includes unrealized disagio as of 10 April 2009 on PetroMENA ASA's bond loan nominated in NOK of USD 16.4 million, unrealized disagio as of 31 March 2009 on PetroRig III Pte Ltd's bond loan nominated in NOK of USD 10.9 million, interest expenses of USD 25.6 million related to the bond loans. Interest income and expenses related to the bonds issued to fund construction of the rigs are capitalized under the construction contract in the group balance sheet per 31 March 2009. This amount is included in loss from derecognising of assets and liabilities in subsidiaries included in operating revenues in year to date 2009.

The net, after-tax result for year to date 2009 was USD -104.9 million compared to USD 29.4 million year to date 2008.

3rd quarter 2009

PetroMENA's revenues in the third quarter 2009 were USD -34.1 million due to change in the estimated future proceeds from PetroRig I, PetroRig II and PetroRig III. The net proceed YTD is updated with new information after presentation of the half year report, mainly on the sales prices of the rigs, hence the negative income reported in the third quarter. Per 30.06.09 gain on derecognising of assets and liabilities in subsidiaries was USD 59.1 million. This gain is reversed in the third quarter. Total operating revenue from SS Petrolia in the third quarter 2009 was USD 25.0 million compared to third quarter operating income in 2008 with USD 16.4 million.

Operating profit before depreciation was USD -54.2 million in the third quarter 2009 compared to USD -2.1 million in the third quarter 2008. During third quarter 2009 the contribution from SS Petrolia to operating profit before depreciation was approximately USD 13.9 million. PetroMENA's operating expenses were USD 20.1 million and include primarily operating expenses for SS Petrolia with USD 11.1 million and loss on derecognising of assets and liabilities in subsidiary with USD 3.5 million. Other expenses of USD 5.5 million include various other administrative expenses. Depreciation, USD 3.9 million in the third quarter 2009 relates to the 2nd generation semi-submersible drilling unit.

Net financial income in the third quarter 2009 is USD 2.8 million. Net financial items of USD 2.8 million include interest on bond loans with USD 3.7 million, redemption price on bond loan with USD 4.2 million and USD 1.9 million is expensed fee for the bond loans. Net financial income includes reversal of unrealised currency loss of the company's bond loan nominated in NOK to 10th of April due to the default situation and interest expenses related to the bond loans. The effect on the result for the third quarter is an unrealised currency gain of USD 12.1 million on PetroMENA's bond loans nominated in NOK.

The net, after-tax result for the third quarter 2009 was USD -55.3 million compared to USD million 62.8 in third quarter 2008.

Cash flow

Cash flow from operations totalled USD -0.2 million YTD 2009, compared to USD -7.5 million for the corresponding period in 2008. Cash flow from investments in 2009 was USD -21.8 million mainly related to derecognising of cash in subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd with USD -22.3 million. Investments in YTD 2008 amounted to USD -304.6 million. Cash flow from financing activities in 2009 was USD -23.1 million related to interest on bond loan. Cash flow from financing activities in 2008 was USD 45.5 million related to share issue. Cash position as per September 30, 2009 was USD 23.3 million (restricted USD 22.7 million) compared to USD 116.9 million in 2008.

Statement of financial position

As of September 30, 2009 PetroMENA's total assets were USD 317.7 million, of which USD 206.1 million relates to the semisubmersible drilling rig SS Petrolia. Other current asset of USD 88.2 is mainly related to receivables against LOG, Pemex and performance bond. The bank deposits were USD 23.3 million as of 30 September 2009. As per year-end 2008, total assets were USD 882.1 million, of which USD 541.1 million were related to rigs under construction, USD 217.4 million to SS Petrolia and USD 68.3 million to bank deposits.

At the end of third quarter, PetroMENA's short term debt amounted to USD 365.0 million. The bonds are presented as short term portion of long term liabilities reduced with estimated net proceeds from investments in subsidiaries.

Equity

The book value of the Group's equity totalled USD -47.3 million at the end of third quarter 2009, which gives an equity ratio of approximately -15 percent. PetroMENA and it majority shareholder Petrolia Drilling is currently working together with their creditors to find acceptable solutions in order to avoid bankruptcy.

The Company's shares

As of September 30, 2009 the total number of shares in PetroMENA ASA equalled 147,773,500, each with a par value of NOK 15. PetroMENA has no outstanding or authorized stock options, warrants or convertible debt. PetroMENA's largest shareholder is Petrolia Drilling ASA, with approximately 51.5 % ownership.

Events after the balance sheet date

Norsk Tillitsmann ASA's bankruptcy petition of PetroMENA ASA.

Oslo Byfogdembete has dismissed the petition from Norsk Tillitsmann ASA and has further rejected the petition filed by NTM Refectio III AS.
Oslo Byfogdembete has decided that Norsk Tillitsmann ASA is not entitled to file for bankruptcy of PetroMENA ASA due to lack of legal interest, and has rejected the bankruptcy petition from NTM Refectio III AS due to the prohibition against separate debt recovery proceedings from the individual bondholders in the loan agreement between the parties.

The Board of Directors of PetroMENA ASA has worked to complete a restructuring of the company and has made a proposal. The proposal has not been accepted by a significant contracting party and creditor.

Market conditions and outlook

The global economic outlook is currently more positive than just a few months ago. Despite this, the Board of Directors is somewhat cautious towards the general market outlook as the general uncertainty still remains higher than normal. The credit market has improved but is still challenging and difficult for rig companies without long-term drilling contracts for rigs under construction.

The market for offshore drilling units is mainly driven by oil companies' inclination to invest in exploration, development and production of oil and gas. The willingness to make such investments is in turn influenced by the oil companies current revenues, current reserve replacement ratios, acreage available for exploration and development, expected petroleum prices, combined with available financing for such exploration and production projects. The long term demand for deepwater rigs is expected to remain strong as oil companies have a significant back-log of drilling projects (both exploration and development projects) due to falling replacement ratios and decline in oil production.

The global economic outlook is currently more positive than just a few months ago. Despite this, the Board of Directors is somewhat cautious towards the general market outlook. The credit market has improved but is still challenging.

About the company – key risks and uncertainty

Norsk Tillitsmann (NT) has, on behalf of the bondholders, declared the bonds on PetroRig I, II and III to be in default. Subsequently the Boards of PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd were replaced 10 April 2009, by NT with people appointed by NT. On 17 May 2009 NT also filed for Chapter 11 protection under New York Bankruptcy court for PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd, which were accepted by the court even without any particular connection for the companies to the US.

PetroRig I and PetroRig II was sold for approximately USD 460 and USD 490 million in the end of June 2009 and September 2009 and respectively USD 205 and USD 238 million was transferred to the bankruptcy administrators. The settlement from the sales is still pending in the Bankruptcy court in New York. For PetroRig III there is still motion for dismissal of the case pending in New York. All three cases are still pending with the Bankruptcy Court. PetroMENA has not received copies of the relevant contracts from the sale from Jurong to Diamond yet. Both Jurong and other parties have been contacted to obtain these contracts. On this basis completeness of costs can not be guaranteed by the company.

PetroMENA is separately working to find good and lasting solutions for the Rigs. As the largest single shareholder in PetroMena, Petrolia Drilling ASA has been using their best efforts to promote and facilitate an arrangement by which value in PetroRig III together with the drilling contract entered into with Petróleos Mexicanos ("Pemex") be preserved and enhanced for the benefit of all interested stakeholders, including the bondholders

Various discussions have taken place, however, to date; none of their endeavors to identify a solution acceptable to the bondholders have been taken up.

The proposal by Petrolia Drilling has been to use our best endeavour in order to keep an ownership of SS Petrolia within PetroMENA, as well as an ownership in a to be established SPV owning PetroRig III.

We believe every effort should be made to identify the optimum outcome for all stakeholders in PetroRig III as well as SS Petrolia by trying to keep the Pemex revenue contracts. We have made ourselves and our advisors available. We have been constructive in seeking a solution acceptable to all. In today's market situation it is difficult to establish a fair market value for SS Petrolia, including its contract value.

The outcome of PetroMENA, Petrolia Drilling and their advisors' efforts to find a solution to the financial situation is still highly uncertain.

Notice of extraordinary general meeting - Thursday 3 December 2009

The Board of Directors proposes that the General Meeting elect a new Board of Directors. The reason why the directors have resigned and put their positions as directors for disposal are that a substantial contracting party and creditor did not wish to support a proposed solution for the restructuring of the Company.

Board of Directors, PetroMENA ASA, 25th of November 2009

FINANCIAL REPORT 3rd quarter 2009 – preliminary

Condensed Consolidated Statement of Comprehensive Income Unaudited

All figures in USD (1000)

	3Q 2009	YTD 2009	3Q 2008	YTD 2008
Operating revenues	-34 091	71 223	16 421	54 636
Operating expenses	20 118	64 849	18 531	43 125
Operating profit before depreciation	-54 209	6 374	-2 110	11 510
Depreciation	3 859	11 453	3 976	10 044
Operating profit (loss-)	-58 068	-5 080	-6 086	1 466
Net financial income/expenses(-)	2 747	-99 791	68 838	27 958
Net result before taxes	-55 321	-104 871	62 751	29 424
Tax	0	0	0	0
Net result	**-55 321**	**-104 871**	**62 751**	**29 424**
Other comprehensive income:				
Other gains and losses charged directly to equity	0	-5	0	0
Total other comprehensive income	**0**	**-5**	**0**	**0**
Total comprehensive income	**-55 321**	**-104 876**	**62 751**	**29 424**
Earnings per share (average shares)	-0,37	-0,71	0,42	0,21
Earnings per share (total shares)	-0,37	-0,71	0,42	0,20

Condensed Consolidated Statement of Financial Position Unaudited

All figures in USD (1000)

Assets	**30.09.2009**	**31.12.2008**
Construction contract semi rigs	0	541 118
SS Petrolia	206 105	217 431
Other equipment	133	215
Investments in subsidiaries	0	0
Total non-current assets	206 238	758 764
Assets held for sale	0	0
Trade receivables	76	73
Other current assets	88 167	54 896
Other liquid assets	0	72
Bank deposits	23 266	68 281
Total current assets	111 509	123 321
Total assets	**317 747**	**882 085**
Equity and liabilities	**30.09.2009**	**31.12.2008**
Share capital	411 195	411 195
Other equity	-458 495	-353 619
Total equity	-47 299	57 576
Bond loan	0	348 544
Total non-current liabilities	0	348 544
Short term portion of non-current liabilities	348 157	430 083
Trade payables	2 991	9 990
Other current liabilities	13 898	35 891
Total current liabilities	365 046	475 964
Total liabilities	365 046	824 509
Total equity and liabilities	**317 747**	**882 085**
Book equity per share (end of period shares)	-0,32	0,39
Equity ratio	-15 %	7 %

Condensed Consolidated Statement of changes in Equity Unaudited

All figures in USD (1000)

	YTD 2009	YTD 2008
Equity period start	57 576	381 681
Other comprehensive income/(loss)	-5	0
Profit for the period	-104 871	29 424
Total comprehensive income for the period	-104 876	29 424
Issue of share capital	0	46 792
Expenses related to share issues (net of tax)	0	1 336
Total equity from shareholders in the period	0	45 456
Total change of equity in the period	-104 876	74 880
Equity at period end	**-47 299**	**456 562**

Condensed Consolidated Cash Flow Statement Unaudited

All figures in USD (1000)

	YTD 2009	YTD 2008
Net cash flow from operating activities	-162	-7 527
Net cash flow from investing activities	-21 780	-304 609
Net cash flow from financing activites	-23 092	45 456
Net change in cash and cash equivalents	-45 034	-266 680
Cash and cash equivalents at beginning of period	68 281	383 550
Exchange gains on cash and cash equivalents	19	0
Cash and cash equivalents at period end	**23 266**	**116 870**

Notes to the unaudited condensed consolidated interim figures

Note 1 Applied accounting principles

This quarterly report is prepared according to the International Financial Reporting Standards (IFRS as adopted by the EU) and the appurtenant standard for quarterly reporting (IAS 34). The quarterly accounts are based on the current IFRS standards and interpretations.

The quarterly report is prepared according to the same principles as the most recent annual financial statements, but do not include all the information and disclosures required in the annual financial statements. Consequently, this report should be read in conjunction with the latest annual report for the Company (2008). Changes in standards and interpretations may result in other figures.

The same accounting principles and methods for calculation which were applied in the latest annual report (2008) have been applied in the preparation of this interim report. The Company’s accounting principles are described in detail in its annual report for 2008.

The consolidated accounts are based on historical cost, with the exception of items required to be reported at fair value.

PetroRig I and PetroRig IIwas sold for approximately USD 460 and USD 490 million in the end of June 2009 and September 2009 and respectively USD 205 and USD 238 million was transferred to the bankruptcy administrators. The settlement from the sales is still pending in the Bankruptcy court in New York. For PetroRig III there is still motion for dismissal of the case pending in New York. All three cases are still pending with the Bankruptcy Court. PetroMENA has not received copies of the relevant contracts from the sale from Jurong to Diamond yet. Both Jurong and other parties have been contacted to obtain these contracts. On this basis completeness of costs can not be guaranteed by the company.

Note 2 Investment in subsidiaries – bond loans

According to definitions in IAS 27 PetroMENA ASA has lost control over PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd from April 1, 2009. Assets and liabilities in subsidiaries are derecognised as from April 1, 2009.

Investments in subsidiaries are valued in the consolidated statement of financial position to estimated future proceeds from realisation of assets in the subsidiaries. Included in the calculation of future proceeds are sales prices of PetroRig I and II and minimum sales price as stated for auction of PetroRig III, reduced with cost to sell and estimated liabilities in the subsidiaries on delivery date for the rigs.

The difference between the estimated proceeds from the disposal of the subsidiaries and its carrying amount as of April 1, 2009 are recognised in the consolidated income statement as loss on the disposal of the subsidiaries.

PetroMENA ASA's bond loan, NOK 2.000 million, issued to finance the construction of PetroRig I and II falls due through the sale of both rigs. Due to the default in bond loan USD 264 million, repayment is presented as short term portion of long term liabilities. Redemption price in the bond loans are accrued in the presented figures.

Due to lost control over the subsidiaries we do not present statement of comprehensive income and statement of financial position for PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte per September 30, 2009.

The estimated future proceeds are calculated based on sales prices of PetroRig I and II and minimum sales price as stated for auction of PetroRig III, reduced with estimated cost to sell and estimated liabilities in the subsidiaries on delivery date for the rigs. The net proceed YTD is updated with new information after presentation of the half year report, mainly on the sales prices of the rigs, hence the negative income reported in the third quarter.

The difference between the estimated proceeds from the disposal of the subsidiaries and its carrying amount as of 1 April 2009 are recognised in the consolidated income statement as loss on the disposal of subsidiaries per 30.09.09 included in the operating expenses.

The bond loans in PetroMENA has been reclassified to short term portion of non-current liabilities due to the default situation and the sales of PetroRig I and PetroRig II and full redemption price has been accrued for all bond loans in PetroMENA. Interest has been accrued up until NT enforced their share pledge (April 2009) in PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd and in addition interest on the net debt (bond loans including redemption price and accrued interest per April 2009 reduced with estimated net proceeds from the investment in subsidiaries) is expensed for the period until 30.09.09. The 9.75% bond loan has been adjusted to the prevailing exchange rate at the time of enforcement of the share pledge (April 2009).

Note 3 Pro forma information

In connection with the loss of control, according to IAS 27, in subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd assets and liabilities in subsidiaries are derecognised as from April 1, 2009. The derecognising of the subsidiaries PetroRig I, II and III does not have material effect on the result except for financial expenses in the PetroMENA ASA group and pro forma accounting figures have not been calculated.

The companies are single purpose entities for the construction of semi-submersible drilling rigs and the effect over the consolidated income statement per 31.12.2008 would be that interest income, interest expenses and other financial expenses related to PetroMENA ASA's bond loan issued to finance the construction of PetroRig I and II would be expensed rather than capitalised together with the rigs in the statement of financial position. For the fiscal year 2008 net finance expenses of USD million 34.9 was capitalised.

Note 4 Tangible fixed assets

The table below outlines the development of tangible fixed assets as of September 30, 2009.

All figures in USD (1000)	Equipment	SS Petrolia	Construction contract semi rigs	Total
Balance at 1 Jan 2009	215	217 431	541 118	758 764
Acquisition cost:				
Acquisition cost at 1 January 2009	254	231 297	1 020 439	1 251 991
Purchased tangibles 2009	2	95	21 290	21 387
Disposal	0	0	-29 366	-29 366
Transferred to assets held to sale	0	0	-268 542	-268 542
Derecognising of assets in subsidiaries	-52	0	-743 822	-743 874
Acquisition cost at 30 September 2009	204	231 392	0	231 596
Depreciation:				
Balance at 1 January 2009	-39	-13 866	0	-13 905
Depreciation 2009	-32	-11 421	0	-11 453
Depreciation at 30 September 2009	-71	-25 287	0	-25 358
Impairment:				
Balance at 1 January 2009	0	0	-479 321	-479 321
Derecognising of assets in subsidiaries	0	0	479 321	479 321
Impairment at 30 September 2009	0	0	0	0
Carrying amount:				
Balance at 30 September 2009	**133**	**206 105**	**0**	**206 238**
Residual value		**10 800**		

PetroMENA ASA has, according to IAS 27, lost control over the subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd. Assets in subsidiaries are derecognised as from April 1, 2009.

An impairment loss was recognised for the amount by which the asset's carrying amount exceeds its recoverable amount per 31.03.09. The recoverable amount was considered to be fair value less net of estimated costs to sell due to the financial situation in the Group. Fair value was established based on recent market values based on conditional offer (MOU) received in first quarter of 2009.