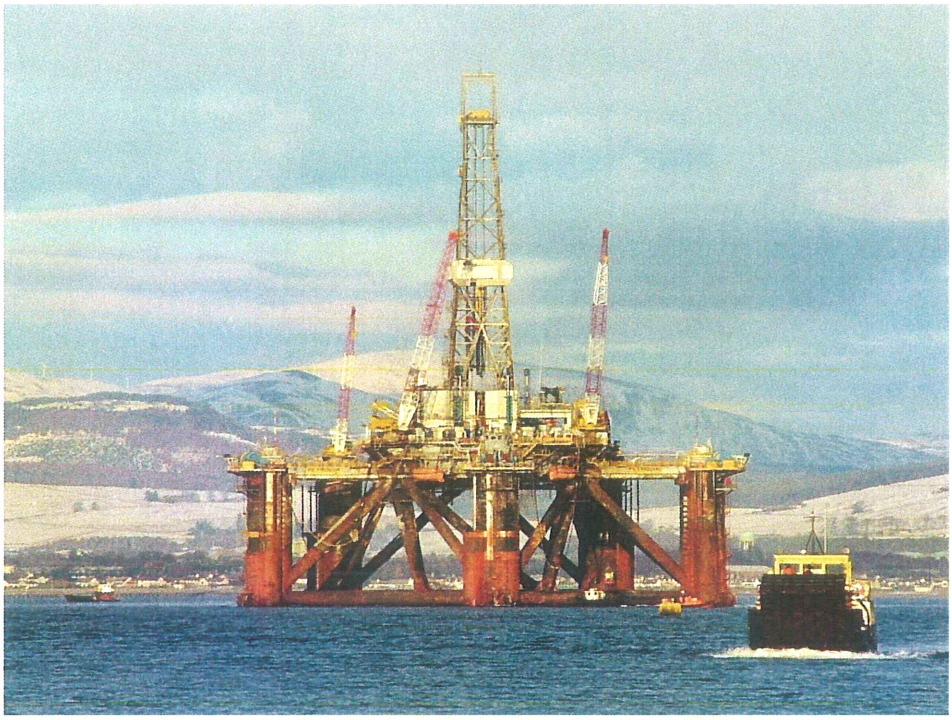
PETROLIA DRILLING



2nd quarter &

1st half year 2009

Petrolia Drilling owns, charters and invests in drilling vessels for offshore, deepwater oil and gas exploration and development drilling. It is also an international oilfield services company offering products such as tubing, drill pipe, casing and handling equipment as well as oilfield services. Petrolia Drilling intends to continue its exposure to the rig market, through investment in offshore drilling rigs and drillships deployed on fixed-rate, long-term contracts.

PETROLIA DRILLING ASA second quarter and half year 2009 preliminary result

Financial summary

- Petrolia Drilling ASA had a net result after tax of USD -44.5 million including an unrealized currency loss of USD -45.2 million for the first half of 2009. Net result after tax for the second quarter was USD -2.6 million including an unrealized currency loss of USD 17.6 million.
- Revenues and operating profit before depreciation for Petrolia Services (100% owned subsidiary) for the first half year 2009 was USD 32.2 million and USD 14.6 million respectively. Petrolia Services is an International Oilfield Service Company offering rental equipment for oil and gas industry. Book value of drilling equipment as of 30 June 2009 is USD 144.5 million (depreciated over five years).
- Operating profit before depreciation for Venture Drilling (50% owned) was USD 52.0 million for the first half year 2009. Net result after tax was USD 34.5 million. During 2009 Venture Drilling is expected to perform in line with first half year going forward.
- The associated company Petrojack (39.95% owned by Petrolia Drilling ASA) owns Petrojack IV, which commenced on contract the 23rd of January 2009. Operating profit before depreciation for Petrojack was USD 5.1 million in the first half year 2009 and the net result was USD -28.0 million. Operating expenses in first half of 2009 include expenses related to mobilisation of Petrojack IV.
- On April 3rd, Norsk Tillitsmann (NT) enforced their share pledge in PetroMENA ASA's subsidiaries PetroRig I Pte Ltd, II and III, all registered in Singapore. Hence the subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd are not consolidated in the accounts in the second quarter 2009 (cfr specification in note 2).
- Operating result before depreciation for the subsidiary PetroMENA ASA (51.5% owned) was USD 60.6 million. This includes derecognizing of assets and liabilities in the subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd. Net result for the first half year 2009 was USD -49.6 million. During first half year 2009 the contribution from SS Petrolia to operating profit before depreciation was approximately USD 21.8 million. SS Petrolia is expected to perform in line with first half year performance going forward.
- Petrolia Drilling ASA controls 30% of Larsen Rig Ltd which is building a new deepwater semisubmersible drilling rig at Jurong Shipyard. The company is currently in negotiations with Jurong to agree on a revised payment structure.

Financial information

Profit and loss for the first half year of 2009

Total revenues in the first half of 2009 were USD 137.5 million whereof USD 46.2 million came from SS Petrolia, USD 32.2 million came from Petrolia Services and USD 59.1 million is gain on derecognising of assets and liabilities in subsidiaries. In the first half of 2008, total revenues equaled USD 70.8 million.

Operating profit before depreciation for the first half of 2009 was USD 75.2 million compared to USD 22.4 million for the first half of 2008.

Total operating expenses equaled USD 62.3 million in the first half of 2009 whereof USD 22.7 million is opex for SS Petrolia, USD 17.6 million relates to Petrolia Services. Rig expenses per 31.03.2009 related to PetroRig I, II and III is also included with USD 13.4 million. The rest of the operating expenses relates to management services under the contracts with LOG and various other operative and administrative expenses.

Operating profit for the first half of 2009 equaled USD 56.9 million, including USD 18.3 million in depreciation of equipment mainly related to Petrolia Services. Operating profit for the first half of 2008 equaled USD 6.3 million, including USD 16.1 million in depreciations.

The net, after-tax result for the first half of 2009 was USD -44.5 million. Venture Drilling contributes with a positive result after tax of USD 16.8 million. Result from associated company is negative with USD 8.9 million. Net financial items of USD 109.5 million include interest on bond loans with USD 26.5 million, accrued redemption price on the bond loans in PetroMENA with USD 30.9 million and USD 5.9 million is expensed fee for the bond loans in the first half of 2009. Unrealised currency loss on the bond loans, mainly on PetroMENA's bond loans nominated in NOK, of USD 45.2 million, is also included in net financial items. The USD has depreciated against NOK from 7.00 as of 1 January 2009 to 6.38 as of 30 June 2009. The net after-tax result for the first half year 2008 was USD -44.8 million.

Profit and loss for the second quarter 2009

Total revenues were USD 100.2 million for the second quarter 2009, whereof USD 25.0 million came from SS Petrolia, USD 16.2 million came from Petrolia Services and USD 59.1 million is gain on derecognising of assets and liabilities in subsidiaries. Total revenues for the second quarter 2008 equaled USD 42.0 million.

Operating profit before depreciation was USD 77.1 million for the second quarter 2009 compared to USD 14.4 million in 2008.

Total operating expenses equaled USD 23.1 million for the second quarter 2009 whereof USD 14.2 million is operating expenses for SS Petrolia, USD 8.2 million relates to Petrolia Services. Other operating expenses comprise management services under the contracts with LOG and various other operative and administrative expenses.

Operating profit equaled USD 67.2 million for the second quarter 2009, including USD 9.9 million in depreciation of equipment mainly related to Petrolia Services. Operating profit equaled USD 6.1 million for the second quarter 2008, including USD 8.3 million in depreciations.

The net, after-tax result was USD -2.5 million for the second quarter 2009. Venture Drilling contributes with a positive result after tax of USD 8.0 million. Result from associated company is negative with USD 4.8 million. Net financial items of USD 73.0 million include interest on bond loans with USD 17.2 million, accrued redemption price on the bond loans in PetroMENA with USD 30.9 million and USD 5.9 million is expensed fee for the bond loans. Unrealised currency loss, mainly on PetroMENA's bond loans nominated in NOK, of USD 17.6 million, is also included in net financial items. The USD has depreciated against NOK from 6.68 as of 1 April 2009 to 6.38 as of 30 June 2009. The net after-tax result for the second quarter 2008 was USD -10.8 million.

Cash flow

Cash flow from operations equaled USD 2.1 million in the first half year of 2009, compared to USD -71.1 million in the first half year of 2008. Cash flow from investments was USD -24.6 million mainly related to derecognising of cash in PetroMENA's subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd with USD -22.3 million. Cash flow from investments YTD 2008 was USD -204.6 million. Cash flow from financing activities YTD 2009 was USD 27.8 million related to interest paid on bond loans. Cash flow from financing activities YTD 2008 was USD 128.3 million. Cash position as of 30 June 2009 was USD 78.3 million compared to USD 464.9 million YTD 2008.

Statement of financial position

As of 30 June 2009, total assets amounted to USD 821.5 million. The drilling rig SS Petrolia has a book value of USD 26.6 million, which reflects historic cost, including upgrades, adjusted for depreciation. The market value and value in use of SS Petrolia exceeds book value, which reflects historical cost after accumulated depreciation and upgrading. Investment in subsidiary has a book value of USD 346.8 million reflecting the estimated net proceeds from derecognising of assets and liabilities in PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd.

As per 30 June 2009, net interest bearing bond loans amounted to USD 646.5 million.

Total equity equaled USD 15.8 million as per 30 June 2009, including a minority interest of USD 19.3 million. Year end 2008, the total equity equaled USD 58.7 million. Book value of equity per share equaled USD 0.02 as per 30 June 2009, including minority interest of USD 0.02 per share. Book equity per share equaled USD 0.06 per year end 2008, including a minority interest of 0.04.

Share information

As of 30 June 2009, the total number of shares outstanding in Petrolia Drilling equaled 1,012,596,745, each with a par value of NOK 0.50. Petrolia Drilling has no outstanding or authorized stock options, warrants or convertible debt. As of 30 June 2009, Petrolia Drilling held 5,250,024 (0.52 percent) own shares. The associated company Petrojack (39.95 % of shares held by Petrolia Drilling) holds approximately 24.98 percent of the shares in Petrolia Drilling.

On May 28 2009 the PetroMENA shares were suspended from The Oslo Stock Exchange until further notice. The decision was made in light of the current situation and development of PetroMENA and its subsidiaries, and in particular PetroMENA's 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.

The market 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. However the financial crisis and the drop in oil prices may lead to reduction in exploration and development spending due to banks being unwilling to commit financing for new E&P projects and a credit market not functioning. This may in turn affect short term utilization and drilling rates for new drilling units. Even though the oil price has fallen from record levels, the oil price is still high in a historical perspective, which point in the direction of expected strong growth in energy demand.

The average age of the global jack-up fleet is close to 21 years. There are currently approximately 53 jack-up rigs under construction, including options, corresponding to 10 % of the global jack-up fleet. The jack-up market may seem to have passed the peak, as a result of hectic newbuilding activity, and the rates seem to have come down somewhat from the peak levels.

The Board of Directors is somewhat cautious towards the outlook of the jack-up market going forward and is expecting a fairly decent deepwater rig market in the next few years, although rig values have dropped significantly during the past six-nine months. The current situation in the credit market will impact the industry and available funding going forward.

Related party transactions

Petrolia Drilling has no employees. The Group has entered into business management agreement with Larsen Oil & Gas, which is controlled by Mr. Berge Gerdt Larsen, who is boardmember in the associated company Petrojack. For more information on the business management agreements entered into with Larsen Oil & Gas please refer to note 22 in the annual statement for 2008 available at Petrolia Drilling's website www.petrolia.no.

Key risks and uncertainty

Petrolia Drilling controls 51.5% of PetroMENA ASA, and through its investment has a large exposure to deepwater rigs. Due to a distressed financial situation in PetroMENA the shareholder values are uncertain.

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 was sold, by Jurong shipyard, for approximately USD 460 million in the end of June 2009 and USD 205 million was transferred to the bankruptcy administrators. The settlement from the sale is still pending in the Bankruptcy court in New York. For PetroRig II and III there are still motions for dismissal of the cases 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.

PetroMENA is separately working to find good and lasting solutions for the Rigs. As the largest single shareholder in PetroMena, we have been using our 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.

In this connection Petrolia Drilling, as the largest shareholder in PetroMENA, has engaged Arctic Securities ASA as their financial advisor and Wikborg Rein as their legal advisor. Several proposals of outlines to a restructuring plan have been forwarded to NT and the bondholders' financial advisor, AMA Capital Partners.

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

At the outset of discussions, we were told by AMA Capital Partners that the second rig being constructed by Jurong was as effectively already sold and, following the auction by Jurong of the first rig, would be disposed of to a third party. We make no comment on the disposal of the second rig and whether that is the most beneficial manner in which to realise value for the creditors of the second rig.

The proposal by Petrolia Drilling has been to use our best endeavours 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 have proposed to include new equity of up to USD 40 million in order to facilitate 80% cash payout to the owners of the FRN bonds (also giving them an ownership in PetroRig III NewCo), and new equity of up to USD 20 million in order to facilitate maximum cash payout to the owners of the 10.85 bonds (also giving them an ownership in PetroRig III

NewCo). In the latter structure, the performance guarantee bonds, as well as the cash under the Pemex contract for SS Petrolia, would also be paid out as cash proceeds to the owners of the 10.85 bonds.

The basic thrust and focus of our proposals is the maintenance and enhancement of value. The alternative will probably be an auction by Jurong of PetroRig III in due course, coupled with litigation, which in our view will not generate the same returns for bondholders as their proposal (and no return for shareholders). This outcome will arise by default, unless action is taken proactively to procure a better outcome.

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. If our proposal, as presented to date or in a modified form acceptable to all parties, is not adopted we reserve any and all of our rights arising out of any loss of value in due course.

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

Furthermore the company refers to previously sent press releases and stock notices.

About the company

Petrolia Drilling controls 51.5% of PetroMena. 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. Jurong Shipyard completed the construction of the first semi-submersible rig, PetroRig I, and was ready to deliver the vessel in April 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. Delivery of PetroRig II and PetroRig III in third quarter 2009 and first quarter 2010 respectively is also uncertain due to a challenging financial situation. 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.

Petrolia Drilling also has exposure to the jack-up segment through its 39.95 % shares in Petrojack. The jack-up rigs have an operating water depth capacity of 375 feet and drilling dept capacity of approximately 30,000 feet. In addition, Petrojack controls 24.98 % of Petrolia Drilling and 42.3% of PetroProd. PetroProd has ordered an enhanced CJ70 jack-up rig from Jurong. In April 2009 the loan trustee, Norsk Tillitsmann, declared the bond loan in PetroProd in default and the grand Court of the Cayman Island appointed Simon Whicker at KPMG as provisional liquidator. PetroProd was delisted from Oslo Axess in April 2009.

In addition, Petrolia Drilling controls 50% of DS Deep Venture which commenced on an 18 month contract with ExxonMobil ultimo June 2007. The gross value of the contract is in the USD 200-220 million range. The contract was recently extended, and DS Deep Venture will be engaged for Maersk Oil Angola until July 25 2009, at a day rate of USD 425,000, after withholding of tax. Venture Drilling AS has agreed to a further 18 months contract with Maersk Oil Angola starting from July 25 2009 at a dayrate of USD 495,000 after withholding tax. Effective date for new dayrate was August 10 2009.

Petrolia Services AS, a 100% owned subsidiary of Petrolia Drilling, is an international oilfield services company with presence in Norway, Australia, New Zealand and Singapore, serving nearby clients. Petrolia Services main product categories include tubing, drill pipe, casing and handling equipment as well as oilfield services.

Responsibility Statement

We confirm, to the best of our knowledge, that the condensed set of financial statements for the period 1 January to 30 June 2009 has been prepared in accordance with IAS 34 – Interim Financial Reporting, and gives a true and fair view of the company's and group's assets, liabilities, financial position and profit or loss as a whole. We also confirm, to the best of our knowledge, that the interim management report includes a fair review of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements, a description of the principal risks and uncertainties for the remaining six months of the financial year, and major related parties transactions.

Board of Directors, Petrolia Drilling ASA, 26th August 2009

Klaus P. Tollefsen Chairman of the Board	Gun Marit Stenersen Board Member	Terje Hellebø Board Member
Leif Holst Board Member	Unni F. Tefre Board Member	Lars Moldestad Managing Director

Financial report second quarter and first half year 2009 – preliminary

Consolidated Statement of Comprehensive Income

All figures in USD (1000)

	2Q 2009	YTD 2009	2Q 2008	YTD 2008
Operating revenues	100 219	137 513	41 959	70 818
Operating expenses	23 098	62 280	27 560	48 385
Operating profit before depreciation	77 120	75 234	14 399	22 434
Depreciation	9 889	18 294	8 337	16 097
Operating profit (loss-)	67 231	56 940	6 062	6 336
Result from joint venture	8 023	16 827	5 299	13 468
Result from associated companies	-4 838	-8 874	-5 545	-13 069
Net financial income/expenses(-)	-73 002	-109 517	-16 490	-52 040
Net result before taxes	-2 587	-44 623	-10 674	-45 305
Tax	0	-100	129	-476
Net result	**-2 587**	**-44 523**	**-10 803**	**-44 829**
Other comprehensive income				
Other gains/losses charged directly to equity	**-5**	**-5**	**0**	**0**
Currency translation differences	**3 752**	**1 627**	**-3 027**	**-897**
Total other comprehensive income	**3 747**	**1 622**	**-3 027**	**-897**
Total comprehensive income	**1 160**	**-42 901**	**-13 830**	**-45 726**
Earnings per share (average shares)	0,00	-0,04	-0,01	-0,04
Earnings per share (total shares)	0,00	-0,04	-0,01	-0,04

Condensed Consolidated Statement of Financial Position

All figures in USD (1000)

Assets	30.06.2009	31.12.2008
Deferred tax assets	3 908	3 694
Goodwill	18 931	17 344
Drilling unit	26 555	28 262
Construction contracts Semi-Rigs	0	541 118
Drilling- and other equipment	144 497	119 509
Land and buildings	2 301	2 705
Investments in subsidiaries	346 845	0
Investments in joint venture	82 078	76 827
Investments in associates	25 882	34 756
Total non-current assets	650 996	824 213
Assets held for sale	0	0
Inventory	408	327
Accounts receivables	32 391	35 084
Other debtors	58 495	38 710
Financial asset at fair value through p/l	871	871
Other liquid assets	13	83
Bank deposits	78 286	127 812
Total current assets	170 464	202 888
Total assets	**821 460**	**1 027 102**
Equity and liabilities	**30.06.2009**	**31.12.2008**
Share capital	93 568	93 568
Own shares	-2 153	-2 153
Share premium fund	237 274	123 119
Other equity	-332 227	-198 947
	-3 538	15 587
Minority interest	19 291	43 067
Total equity	15 753	58 654
Bond loan	148 708	418 400
Retirement benefit obligations	438	433
Other long-term liabilities	41 647	27 282
Total non-current liabilities	190 793	446 115
Short-term portion of non-current liabilities	567 177	438 261
Accounts payable	18 030	22 964
Payable tax	0	173
Other current liabilities	29 708	60 936
Total current liabilities	614 915	522 334
Total liabilities	805 707	968 448
Total equity and liabilities	**821 460**	**1 027 102**
Book equity per share (end of period shares)	0,02	0,06
Equity ratio	2 %	6 %

Condensed Consolidated Statement of changes in Equity

All figures in USD (1000)

	YTD 2009	YTD 2008
Equity period start 01.01	58 654	554 194
Total comprehensive income/loss (-) for the period	-42 901	-45 726
Remeasurment of shares in subsidiary	0	24 482
Total gains and losses charged directly to equity	0	24 482
Total recognised income for the period	-42 901	-21 244
Purchase of own shares	0	-690
Total equity from shareholders in the period	0	-690
Total change of equity in the period	-42 901	-21 934
Equity at period end 30.06	**15 753**	**532 261**

Condensed Consolidated Cash Flow Statement

All figures in USD (1000)

	YTD 2009	YTD 2008
Net cash flow from operating activities	2 095	-71 122
Net cash flow from investing activities	-24 589	-204 588
Net cash flow from financing activities	-27 792	128 304
Net change in cash and cash equivalents	-50 286	-147 406
Cash and cash equivalents at beginning of period	127 812	612 275
Exchange gain/loss (-)on cash and cash equivalents	760	0
Cash and cash equivalents at period end	**78 286**	**464 869**

Notes to the unaudited condensed consolidated figures:

Note 1 Applied accounting principles

This half year 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.

This half year report is prepared according to the same principles as the most recent annual financial statements, but does 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.

Note 2 Investment in subsidiaries

According to definitions in IAS 27, PetroMENA ASA has lost control over its subsidiaries PetroRig I Pte Ltd, PetroRig II Pte Ltd and PetroRig III Pte Ltd from April 1, 2009. Assets and liabilities in these companies are derecognised as from April 1, 2009. There has however not been any change in absolute or relative ownership levels.

Investments in subsidiaries are valued in the balance sheet to estimated future proceeds from realisation of assets in the subsidiaries. Included in the calculation of future proceeds is expected sales price based on external valuations from August 2009 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 1 April 2009 are recognised in the consolidated income statement as gain on the disposal of the subsidiaries.

The derecognising of the subsidiaries PetroRig I, II and III does not have material effect on the result in the Petrolia Drilling 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 34.9 million was capitalised.

Note 2 Tangible fixed assets

The table below outlines the development of tangible fixed assets as of June 30, 2009:

All figures in USD (1000)	Drilling- and other equipment	SS Petrolia	Rigs under construction semi rigs	Land and buildings	Total
Balance at 1 Jan 2009	119 509	28 262	541 118	2 705	691 594
Acquisition cost:					
Acquisition cost at 1 Jan 2009	170 949	93 143	541 118	2 805	808 015
Purchased tangibles 2009	30 623	123	21 290	0	52 036
Disposal as of 2Q 2009	-142	0	-29 366	0	-29 508
Transferred to asset held for sale			-268 542		-268 542
Derecognising of assets in subsidiaries	-52	0	-264 500	0	-264 552
Acquisition cost at 30 June 2009	201 378	93 266	0	2 805	297 450
Depreciation:					
Balance at 1 January 2009	51 440	64 881	0	100	116 421
Depreciation 2009	16 434	1 830	0	29	18 294
Balance at 30 June 2009	67 874	66 711	0	129	134 715
Translation differences	10 993	0	0	-375	10 618
Carrying amount:					
Balance at 30 June 2009	144 497	26 555	0	2 301	173 353
Residual value		10 800			

Note 3 Assets held for sale

PetroRig I and PetroRig II were presented as assets held for sale due to the financial situation in the subsidiary PetroMENA per 31.03.09.

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

Asset held for sale	YTD 2009	YTD 2008
Balance at 1 Jan 2009	0	0
Tansferred from rigs under construction	268 542	0
Derecognising of assets in subsidiaries	-268 542	0
Balance at 30 June 2009	0	0

Note 4 Segment Information

Segment information first half year

All figures in USD (1000)

Petrolia Drilling ASA`s primary format for reporting segment information is business segments.

	Drilling		Offshore services		Total	
	YTD 09	YTD 08	YTD 09	YTD 08	YTD 09	YTD 08
Operating income (TUSD)	105 314	35 216	32 199	35 602	137 513	70 818
EBITDA (TUSD)	63 949	6 557	14 572	15 877	78 522	22 434
EBIT (TUSD)	62 097	5 209	-1 869	1 128	60 228	6 336
EBITDA %	61 %	19 %	45 %	45 %	57 %	32 %
EBIT %	59 %	15 %	-6 %	3 %	44 %	9 %

Reconciliation from segment operational EBIT to Net result before taxes:				
Segment EBIT			60 228	6 336
Unallocated operating expenses			-3 287	0
Net finance expenses			-109 517	-52 040
Share of result from joint venture	16 827	13 468	16 827	13 468
Share of result from associates	-8 874	-13 069	-8 874	-13 069
Net result before taxes			-44 623	-45 305

Segment information second quarter

All figures in USD (1000)

Petrolia Drilling ASA`s primary format for reporting segment information is business segments.

	Drilling		Offshore Services		Total	
	2Q 09	2Q 08	2Q 09	2Q 08	2Q 09	2Q 08
Operating income (TUSD)	84 047	24 461	16 172	17 498	100 219	41 959
EBITDA (TUSD)	70 037	6 914	7 967	7 485	78 004	14 399
EBIT (TUSD)	69 111	6 230	-997	-168	68 114	6 062
EBITDA %	83 %	28 %	49 %	43 %	78 %	34 %
EBIT %	82 %	25 %	-6 %	-1 %	68 %	14 %

Reconciliation from segment operational EBIT to Net result before taxes:				
Segment EBIT			68 114	6 062
Unallocated operating expenses			-884	0
Net finance expenses			-73 002	-16 490
Share of result from joint venture	8 023	5 299	8 023	5 299
Share of result from associates	-4 838	-5 545	-4 838	-5 545
Net result before taxes			-2 587	-10 674

Note 5 Investments in associates

All figures in USD (1000) **Investments in associates**	**Petroresources Ltd**	**Larsen Rig Ltd**	**Petrojack ASA**	**Total**
Shareholding	28.57%	30.0%	39.95%	
Business address	Limassol,Cyprus	Cayman Island	Oslo, Norway	
Balance 1 January 2009	2 890	21 000	10 866	34 756
Share of result	-64	-1 312	-7 498	-8 874
Balance at 30 June 2009	**2 826**	**19 688**	**3 368**	**25 882**

Note 6 Pro forma accounting figures

The pro forma financial information addresses a hypthetical situatuation and, therefore does not represent the company's actual financial results. There is a greater degree of uncertainty associated with pro forma figures than with reported figures.

The below table is Petrolia Drilling ASA's estimated Statement of Finanacial Position without PetroMENA ASA as per 30.06.09, hence the result in PetroMENA ASA 2009 is not included in the calculated equity below.

Total equity includes a minority share of USD 2.4 million related to IOT AS.

Condensed Consolidated Statement of Financial Position

All figures in USD (1000)

	30.06.2009
Total non-current assets	264 507
Total current assets	81 839
Total assets	**346 346**
Total equity	183 892
Total non-current liabilities	122 127
Total current liabilities	40 327
Total liabilities	162 454
Total equity and liabilities	**346 346**

Note 7 Events after the balance sheet date

Venture Drilling commenced on an 18 months drilling contract with Maersk Oil Angola on 10 August 2009. New day rate is USD 495,000 per day.