



AGR Group ASA

3rd quarter 2008



Introduction

AGR Group consists of three business units with global reach, aligned with the trends in the global oil & gas services industry:

- Petroleum Services
- Drilling Services
- Field Operations

AGR's three business units have grown into a size and maturity where they are strong enough to function well independently. The Board of AGR Group has therefore previously communicated its plan to create three strong separate business units enabling a high level of focus and efficiency. By doing so, each business unit will have the swiftness and commercialism of a smaller company combined with sufficient size.

As a part of this plan, the intension has been to spin off Petroleum Services and list it separately on the Oslo stock exchange. Due to current market conditions, this work has been postponed. Petroleum Services, Drillings Services and Field Operations will therefore remain under the current ownership and remain listed as AGR Group. When markets improve, the board will reconsider the listing of Petroleum Services.

Management has started the work with separating AGR into three distinct business units, legal as well as operational, and this work is about to be completed. Each business unit will then basically be turned into a stand alone entity, with some limited sharing of services where this is cost efficient or practical.

The acquisition of Tracs in July 2008 and F.J. Brown in april 2007 has necessitated the preparation of proforma information with comparable numbers being prepared for the reported periods. Consequently the reported income statements for 2007 and 2008 include both actual and proforma comparable figures.

The Board is committed to a plan to find new owners for a number of smaller businesses and an active plan in this regard has been initiated. These businesses include Project Partner AS, AGR DPAL AS, Liquigas Pty and FDPSO Shiraz Pty. According to IFRS these operations have therefore been classified as discontinued operations and will be presented separately in the income statement, balance sheet and cash flow statement. AGR Group entered into an agreement on November 14th 2008 to sell 100% of AGR Project Partner AS with subsidiaries for an enterprise value of NOK 85 million to Semco Maritime AS. For more information regarding discontinued operations please refer to the segment information section.

Third quarter financial highlights¹

Primary segment reporting Q3 2008 only (NOK 1.000)

Virksomhetsområder / Business segments	Petroleum Services	Drilling Services	Field Operations	Group	Elimin.	Total
Driftsinnt., ekst. / Operating revenue, external	383 731	116 743	207 926	(2 672)	9 376	715 104
Driftsinnt., int. / Operating revenue, internal	60 307	125 559	7 199	19 433	(212 498)	-
Driftskost. f. avskr. / Op. ex. before depr.	(349 995)	(223 264)	(191 631)	(36 491)	203 122	(598 260)
EBITDA	94 043	19 038	23 494	(19 730)	-	116 844
Avskr. og amortisering / Depr. and amortization	(12 288)	(16 244)	(13 285)	(756)	-	(42 573)
Nedskr. og avsetn./ Write downs and provisions	-	(0)	-	0	-	0
EBIT	81 755	2 794	10 209	(20 486)	-	74 272

Primary segment reporting Q3 2007 only (NOK 1.000)

Virksomhetsområder / Business segments	Petroleum Services	Drilling Services	Field Operations	Group	Elimin.	Total
Driftsinnt., ekst. / Operating revenue, external	194 598	67 798	170 667	4 564	18 054	455 681
Driftsinnt., int. / Operating revenue, internal	2 937	8 601	34 095	(23 721)	(21 912)	0
Driftskost. f. avskr. / Op. ex. before depr.	(137 549)	(51 516)	(172 547)	690	3 858	(357 064)
EBITDA	59 987	24 883	32 215	(18 467)	-	98 618
Avskr. og amortisering / Depr. and amortization	(11 234)	(9 983)	(13 435)	(81)	-	(34 733)
Nedskr. og avsetn./ Write downs and provisions	-	-	-	-	-	-
EBIT	48 753	14 900	18 780	(18 548)	-	63 885

EBITDA: Earnings before interest, tax, depreciation and amortisation, excluding inventory/asset write downs

- Operating revenue for Q3 2008 grew by 57% to NOK 715 million compared to NOK 456 million in Q3 2007. Q3 2008 EBITDA grew by 18% to NOK 117 million (16%) from NOK 99 million (22%) in 2007.
- The activity in *Petroleum Services* has been high in Q3 and all businesses are performing very well. Q3 EBITDA ended on NOK 94 million compared to NOK 60 million in Q3 2007. The Peak Group in particular has delivered solid results. Revenues are increased due to start up of the Turnkey Drilling services in Houston.
- The new management in *Drilling Services* has strong focus on increasing sales efforts, save cost and aligning the organisation to the current business volume. During Q3, the Drilling Services division made some very important breakthroughs. The strength of the technology and competency was supported by the successful field trial of the deep water RMR. The recently announced contract with Chevron was yet another proof of the division's industry leadership and technology. Contractual contribution from JIP partners has been booked as income in Q3. The demand for Well Services' products is very good and the business continues to deliver strong results. In total the business area had an EBITDA of NOK 19 million compared to NOK 25 million in Q3 2007.
- *Field Operations* is delivering 22% top-line growth to NOK 207 million compared to Q3 2007. The EBITDA was NOK 23 million in Q3 2008 compared to NOK 32 million in 2007. The performance in the Australian business continues to improve and the European business delivers good results in accordance to expectations.

1

* Holding costs and shared services is reported within Group. As stand-alone businesses some build-up of corporate functions in the three business areas is necessary.

* Discontinued operations are not included. The Q3 figures are calculated as year-to-date Q3 2008 less year-to-date Q2 2008 where both data sets are adjusted for discontinued operations.

Divisional Reports

AGR reports segmented information on the following business units: *Petroleum Services, Drilling Services and Field Operations.*

According to the revised strategic direction for the AGR Group, the corporate overhead has been reduced as part of its costs saving exercise and some build-up of corporate functions in the three areas will be necessary. In this transition period the shared services expenditure will be reported within Group financials. Historical information is adjusted accordingly.

Divisional Report – Petroleum Services

EBITDA for Petroleum Services for the third quarter of 2008 was NOK 94 million, compared to NOK 60 million for the same period last year. The first nine months of the year the business area's EBITDA was NOK 259 million compared to NOK 127 million for the same period in 2007. In Q1 2008 the provision for AED outstanding amount made at year end 2007 was reversed with a positive effect of NOK 18 million.

During Q3 the activity level in Well Management has been very high. The business has been operating 4 rigs in the UK, 2 rigs in Norway, and 2 rigs in Australia in Q3 2008. A total of 20 wells were drilled (or commenced drilling) in Q3 2008 compared to 12 wells in Q3 2007. During the first nine months of the year Petroleum Services has drilled (or commenced drilling) 64 wells compared to 37 wells for the same period in 2007.

With the acquisition of TRACS, AGR Petroleum Service has a very strong subsurface unit where synergies can be obtained through market approach and integrated services. The integration efforts is progressing well and the company is now co-located at AGR Petroleum Services' office in Aberdeen at Union Plaza. The acquisition has been well received both internally and with the clients.

The Reservoir Management business has secured a three year framework agreement with the Norwegian Petroleum Directorate (NDP) to provide geological and technical studies. Petroleum Services has one of the largest independent subsurface teams in Norway and will assist the NPD in its work to follow up plans for development and operation of reservoirs.

AGR Petroleum Services launched Turnkey drilling services in the third quarter and to date three wells have been drilled on a turnkey basis in the Gulf of Mexico. The business model implies that the company will drill a well for a client on a guaranteed fixed-price basis while assuming some risks of getting the well drilled to its target depth. Despite the severe challenges caused by the hurricane "Ike" and some start up challenges, the three wells have yielded a marginal profit. Additional wells are being evaluated as potential turnkey prospects going forward.

The Field Management business is still in the development phase and is progressing according to plan.

Divisional Report – Drilling Services

EBITDA for Drilling Services for the third quarter of 2008 was NOK 19 million, compared to NOK 25 million for the same period last year. In Q3 2008 the major part of the remaining contribution from JIP partners has been recognised as income. For the first nine months the EBITDA was NOK 29 million compared to NOK 85 million for the first nine months in 2007.

During Q3 the new management has taken significant steps to improve the profitability of the RMR business. In the short term perspective it has been important to align the organisation to the current business volume. This has been done by reducing costs through the use of temporary-lay offs and general cost cut initiatives. As part of this exercise the investment programme for RMR's has been revised and there will be 19 RMR systems in the working fleet by the end of the year. Further, a significant step towards increasing the utilization of existing assets has been made through the implementation of a new sales and marketing organisation. Preparation of coordinated market plans between the geographical hubs in Norway, UK, US and Asia Pacific is in progress. Per Q3 a total of 15 wells have been drilled with RMRs in 2008.

In September 2008 AGR Drilling Services, together with their Joint Industry Project partners Shell, BP and the Norwegian Research Council, made a successful field trial of the Deepwater Riserless Mud Recovery (RMR) system at 1500 meter water depth. The new Deepwater RMR system was deployed from the semi-submersible rig Atwood Falcon in Sabah, Malaysia and used during a live drilling operation for PETRONAS Production Sharing Contract operator Sabah Shell Petroleum Co. Ltd. The successful trial of the deepwater RMR system extends the known benefits of the RMR to operators drilling in deepwater and allows deepwater drillers to drill top-hole sections cheaper, faster, more safely and with less impact on the environment. The success of this unique technology development maintains AGR Drilling Services' place in the forefront of subsea drilling technology. Interest from several operators for commercial application has been noted.

Management has implemented a new organisational model to address the challenges and opportunities within the business area. A clear distinction has now been made between the research and development part of the business and the operational business. This will simplify decision making, prioritization and provide a clear focus. The research and development centre will be based and coordinated from Houston.

In recent years AGR Drilling Services' strength within research and development has led to the successful development of new technology and deployment of a number of valuable tools and products for the petroleum industry. In September 2008 the company was awarded a letter of agreement (LOA) by Chevron USA Inc to project-manage, engineer, build and deploy a Dual Gradient Drilling System which has the potential to be an enabling technology for certain deep water assets globally. It is estimated that the system will be deployed by Q1 2011. On successful negotiation of the contracts, AGR Drilling Services will be awarded a 2,5 year engineering and project management contract and a further 5 year operational services contract.

The Well Services business continues to show good results and there is a growth potential in new geographical markets such as Africa and South East Asia. The de-sander technology has been utilised for the first time in the UK sector with a six month contract for support during well intervention activities.

The operational success on the Ormen Lange project required a lot of management attention in the Excavation business. The main focus now is to secure new projects for this highly efficient equipment going forward and changing the contracting structure for deepwater route excavation.

Divisional Report – Field Operations

EBITDA for Field Operations for the third quarter of 2008 was NOK 23 million compared to NOK 32 million for the same period last year. On a year to date basis the EBITDA was NOK 60 million compared to NOK 84 million in 2007. The European operations continue to deliver solid results and after a turnaround the Australian business shows improved results.

The activity level in Asia Pacific has been high over the last quarter. The mobilisation of staff and progress on the Reliance project is progressing according to plan. Within the product line Maintenance and Operations more focus will be made on "Green and Alternative Energy" industries going forward. The operation has capabilities and a wide range of services for these industries. A number of projects and services have now been offered to the alternative energy industry such as wave power, mining etc. Further, Field Operations is increasing its presence in the Asia Pacific region and opened a Singapore office in September 2008. The opening of the Singapore office signifies AGR's intent to become a serious player in this fast growing region. All services will be provided from the Singapore office as well as the other regional office in Kuala Lumpur.

In November AGR announced that StatoilHydro has exercised options in three current framework agreements for inspection with AGR Field Operations. The contracts have an estimated total value of NOK 212 million, each with duration of 24 months. AGR Field Operations will provide inspection services to the Troll-Sleipner field and inspection management services to the previous Hydro installations including Sture. The maintenance management services agreement encompasses all of StatoilHydro's offshore installations and onshore plants in Norway, and includes use of the SOLV concept.

After a slow start of the year, the Pipeline inspection business is experiencing increasing demand and the company now has a solid pipeline of work over the remainder of 2008 and into 2009. There is significant interest in the market for the Neptune, but due to client delays the first Neptune project is now scheduled for mobilisation in Q4, and not Q3, as previously announced.

AGR Field Operations and Flexlife Ltd have formed a partnership to provide a ground-breaking new application which can contribute significantly to the subsea sector of the oil and gas industry. The application, developed over two years, has a 100% success rate and will help prevent the failure of flexible risers and flexible flow lines, thereby minimizing lost production and associated environmental impact of a leak. The daily cost of lost production resulting from a riser failure has been estimated at between GBP 1 million and GBP 3 million. Aberdeen-based Flexlife devised the patented solution to scan flexible risers in situ and detect annulus flooding anywhere along their length – the first time in the 40 year history of unbonded flexible pipe that this has been achieved – while AGR Field Operations has the ROV capability to deliver it through the Neptune system. The Neptune system and development of this technology is such a breakthrough that the traditional approach of vacuum testing might be rendered obsolete.

Q3 2008 was a new strong quarter with good sales activity for AGR Technology Design.

Discontinued operations

After the balance sheet date, in Q4, the AGR Group signed a sales agreement with Semco Maritime AS to sell 100% of AGR Project Partner AS including subsidiaries. Please refer to Note 5 for more information regarding the sale.

In DPAL the production equipment is now in place and test runs are being performed in order to fine-tune the equipment. The market outlook for this business is still viewed as promising. After a thorough evaluation the Board has decided that drill pipe production is outside the strategic core businesses for AGR. The process of finding a new owner with a better strategic fit is in progress. In order to save cost in the interim, the production will run at a minimum level and 21 of the 27 employees are temporarily laid off. Inventories of NOK 12 million have been written down in Q3 2008.

The other operations for sale include Liquegas Pty and FDPSO Shiraz Pty as they do not fit into the long term strategy of AGR. Subsequent to this decision, a write down of capitalized R&D in Liquegas was made of NOK 38 million in Q3 2008.

Financial Information

EBITDA for the third quarter 2008 was NOK 117 million up from NOK 99 million in the third quarter of 2007. Net loss including discontinued operations was NOK 32 million for the third quarter. As mentioned above the third quarter 2008 financials were significantly impacted by write downs of assets and inventory of a total of NOK 50 million.

The Group had total assets of NOK 4 120 million at the end of September 2008 which is an increase from NOK 3 612 million at the end of June 2008. The reason for the increase is mainly the acquisition of TRACS, increased working capital and the accounting for discontinued operations². At the end of the third quarter 2008, the equity ratio was 26%.

The Group had a total net cash flow of NOK 228 million in the first nine months of 2008 compared to a negative NOK 139 million for the same period in 2007. Cash flow from operations amounted to NOK 51 million and investment activities, mainly related to the RMR business and the acquisition of TRACS, to a negative NOK 375 million. This has been financed with an increase of NOK 553 million in interest-bearing debt and an equity issue of NOK 34 million. On September 30 2008, cash and cash equivalents amounted to NOK 367 million.

² For more information see the balance sheet in the section Financial Consolidated Information.

Net interest-bearing debt for the Group was NOK 1 364 million at the end of Q3 2008 compared with NOK 1 040 million at the end of 2007. At the end of September 2008, NOK 481 million of interest bearing debt was fixed through interest swaps constituting 30% of total interest bearing debt.

The operating income from outside Norway has increased from MNOK 960 in the nine months of 2007 to MNOK 1 430 the nine months of 2008. This represents an increase from 65% to 76% of total operating income. The increase stems from acquisitions completed during 2007, the sale of RC Consultants and organic international growth. Reference is made to Note 3.

Earnings per share for the nine months of 2008 were NOK 0,55 compared with NOK 0,59 for the same period in 2007.

Oslo, 30 September 2008

Board of AGR Group ASA

Financial consolidated information and notes

Basis of Preparation and Accounting Principles

This condensed consolidated interim financial information for the nine months ended 30 September has been prepared in accordance with IAS 34, "Interim financial reporting". The condensed consolidated interim financial information should be read in conjunction with the annual financial statement for the year ended 31 December 2007, which has been prepared in accordance with IFRS. This condensed consolidated interim information has not been audited.

Income statement

Income Statement	Actual	Actual	Actual	Actual
NOK 1.000	01.07 - 30.09 2008	01.07 - 30.09 2007	01.01 - 30.09 2008	01.01 - 30.09 2007
Driftsinntekter/ Operating revenue	715 104	455 682	1 874 383	1 468 105
Driftskostnader for avskrivninger/ Operating expenses before depreciation	(598 260)	(357 064)	(1 611 306)	(1 231 068)
Driftsresultat ex. Avskr./ Operating profit before depreciation (EBIT)	116 844	98 618	263 077	237 037
Avskr. og amortisering / Depr. and amortization	(42 572)	(34 733)	(114 246)	(103 093)
Nedskrivninger og avsetn./ Write downs and provisions	0	-	(6 061)	-
Driftsresultat/ Operating profit (EBIT)	74 272	63 885	142 770	133 944
Netto finansposter/ Net financial items	(32 995)	(42 311)	(86 000)	(73 812)
Resultat før skatt/ Profit before taxes	41 277	21 574	56 770	60 132
Skatt/ Taxes	(13 209)	(6 903)	(18 166)	(19 242)
Resultat etter skatt/ Profit after taxes (PAT)	28 068	14 671	38 604	40 890
Årets resultat fra virksomhet holdt for salg/ Profit for the year from discontinued operations	(60 027)	-	(81 824)	6 921
Gevinst ved salg av AGR Consultants AS/ Profit from sale of AGR Consultants AS	-	-	-	136 562
Result from discontinued operations	(60 027)	-	(81 824)	143 483
Profit after tax including discontinued operations	(31 959)	14 671	(43 220)	184 373

Income Statement	Pro forma	Pro forma	Pro forma	Pro forma
NOK 1.000	01.07 - 30.09 2008	01.07 - 30.09 2007	01.01 - 30.09 2008	01.01 - 30.09 2007
Driftsinntekter/ Operating revenue	715 104	455 682	1 939 415	1 524 949
Driftskostnader for avskrivninger/ Operating expenses before depreciation	(598 261)	(357 064)	(1 665 711)	(1 285 967)
Driftsresultat ex. Avskr./ Operating profit before depreciation (EBIT)	116 843	98 618	273 704	238 982
Avskr. og amortisering / Depr. and amortization	(42 572)	(23 267)	(122 977)	(95 788)
Nedskrivninger og avsetn./ Write downs and provisions	0	-	(6 061)	-
Driftsresultat/ Operating profit (EBIT)	74 271	75 351	144 666	143 194
Netto finansposter/ Net financial items	(32 995)	(42 340)	(92 616)	(75 915)
Resultat før skatt/ Profit before taxes	41 276	33 011	52 050	67 279
Skatt/ Taxes	(13 208)	(10 563)	(16 656)	(21 529)
Resultat etter skatt/ Profit after taxes (PAT)	28 068	22 448	35 394	45 750

Nøkkeltall / Key figures	Faktisk/Actual	Faktisk/Actual	Faktisk/Actual
NOK 1.000	01.01 - 30.09 2008	01.01 - 30.09 2007	01.01 - 31.12 2007
Resultat pr. aksje (*) / Earnings per share/Diluted EPS	0,55	0,59	0,43

Nøkkeltall / Key figures	Proforma	Proforma	Proforma
NOK 1.000	01.01 - 30.09 2008	01.01 - 30.09 2007	01.01 - 31.12 2007
Resultat pr. aksje / Earnings per share/Diluted EPS	0,50	0,67	0,39

Balance Sheet

Balance Sheet	Actual	Actual
NOK 1.000	30.09.2008	31.12.2007
Fixed assets		
Deferred tax asset	25 352	6 176
Patents, research and development	487 083	382 025
Goodwill	1 175 870	1 105 570
Land and buildings	1 071	37 094
Machinery and other equipment	541 554	538 137
Financial fixed assets	490	21 323
Total fixed assets	2 231 421	2 090 325
Current assets		
Inventory	18 490	40 225
Accounts receivable	1 066 025	1 365 356
Other receivables	192 738	98 089
Shares held for trading purposes	1 140	3 473
Assets of disposal group classified as held-for-sale	243 307	
Cash and cash equivalents	367 115	138 634
Total current assets	1 888 814	1 645 777
Total assets	4 120 235	3 736 102
Equity		
Paid in capital	933 024	899 225
Other equity	125 781	153 907
Total equity	1 058 805	1 053 132
Long-term liabilities		
Provisions	79 177	100 496
Deferred tax liability	57 777	61 591
Convertible loans		2 175
Liabilities to financial institutions	1 606 334	936 369
Total long-term liabilities	1 743 288	1 100 631
Short-term liabilities		
Short-term liabilities	1 135 893	1 582 339
Liabilities of disposal group classified as held-for-sale	182 248	
Total short-term liabilities	1 318 142	1 582 339
Total liabilities	3 061 430	2 682 970
Total equity and liabilities	4 120 235	3 736 102

According to AGR accounting principles deposits and withdrawals in the group bank overdraft facility is netted in cash and cash equivalents. As a consequence of the IFRS regulations for accounting for discontinued operations the current bank overdraft in AGR DPAL AS is accounted for as a short term liability. The effect of this is that the cash and cash equivalents increases with NOK 117 million and the liabilities increase with a corresponding amount.

Cash Flow Statement

Kontantstrømsoppstilling / Cash-flow analysis			
NOK 1.000	01.01 - 30.09		01.01 - 30.09
	2008		2007
Netto kontantstrøm fra operasjonelle aktiviteter / Net cash-flow from operational activities		50 897	28 532
Netto kontantstrøm fra investeringsaktiviteter / Net cash-flow from investment activities		(375 041)	(616 754)
Netto kontantstrøm fra finansieringsaktiviteter / Net cash-flow from financing activities		586 591	449 666
Netto kontantstrøm fra virksomheter for salg / Net cash flow from discontinued operations		(33 965)	-
Netto endring i betalingsmidler / Net changes in cash and cash equivalents		228 482	(138 556)
Betalingsmidler ved periodens begynnelse / Cash and cash equivalents at start of period		138 634	147 726
Betalingsmidler ved periodens slutt / Cash and cash equivalents at end of period		367 116	9 170

Equity reconciliation

Egenkapitaloppstilling / Equity reconciliation			
NOK 1.000	01.01 - 30.09		01.01 - 31.12
	2008		2007
Egenkapital ved periodens begynnelse / Equity at opening balance	1 053 131	901 837	899 989
Konsernets resultat i perioden / Profit after taxes	(43 220)	75 635	142 134
Exchange differences	4 802	(67 241)	(73 716)
Minority interest	10 292	-	12 531
Emisjon / Share issue	33 800	1 309	72 192
Egenkapital ved periodens slutt / Equity at period end	1 058 805	911 539	1 053 130

Note 1 – Interest bearing debt

Netto rentebærende gjeld / Net interest-bearing debt	Faktisk/Actual	Faktisk/Actual	Faktisk/Actual
NOK 1.000	30.09.2008	30.09.2007	31.12.2007
Konvertible lån / Convertible loans	0	0	2 175
Langsiktig gjeld til finansinstitusjoner / Long term debt to credit institutions	1 606 334	966 538	936 369
1. års avdrag langs. renteb. gjeld / Installments on interest-bearing debt (short term)	125 000	111 000	240 000
Sum rentebærende gjeld / Total interest-bearing debt	1 731 334	1 077 538	1 178 544
Likvide midler / Cash and cash equivalents	367 115	9 170	138 634
Netto rentebærende gjeld / Net interest-bearing debt	1 364 220	1 068 368	1 039 910

Note 2 – Segment Information

AGR reports segmented information on the following business units: *Petroleum Services, Drilling Services and Field Operations*. Group consists of DPAL, special projects and smaller businesses as well as holding costs and shared services.

As stand-alone businesses some build-up of corporate functions in the three business areas is necessary.

Historical figures for Field Operations are excluding RC Consultants. The historic figures for the acquired Australian Upstream Petroleum business have been divided to the various business segments according to the relative share of related business. The majority of the company is related to Field Operations. The proforma figures include TRACS from 01.01.2008 and F. J. Brown from 01.01.2007.

Primary segment reporting per. 30.09.2008 (NOK 1.000)							
Virksomhetsområder / segments	Business	Petroleum Services	Drilling Services	Field Operations	Group	Elimin.	Total
Driftsinnt., ekst. / Operating revenue, external		968 092	289 065	615 367	1 859		1 874 383
Driftsinnt., int. / Operating revenue, internal		154 958	195 590	23 569	35 575	(409 692)	-
Driftskost. f. avskr. / Op. ex. before depr.		(863 555)	(455 908)	(578 770)	(122 764)	409 692	(1 611 306)
EBITDA		259 495	28 747	60 166	(85 330)	-	263 077
Avskr. og amortisering / Depr. and amortization		(27 835)	(46 814)	(38 503)	(1 094)		(114 246)
Nedskr. og avsetn./ Write downs and provisions		-	(6 061)	-	-	-	(6 061)
EBIT		231 660	(24 128)	21 663	(86 424)	-	142 770
Netto finansposter / Net financial items		4 643	(18 219)	(7 839)	(64 585)		(86 000)
Resultat før skatt / Profit before taxes		236 303	(42 347)	13 824	(151 009)	-	56 770
Skattekostnad / Taxes		(75 617)	13 551	(4 424)	48 323	-	(18 166)
Konsernets resultat / Profit after taxes		160 686	(28 796)	9 400	(102 686)	-	38 604
Profit from the year from discontinued operations					(81 824)		(81 824)
Salgsgev./res.andel RC / Profits from sale/PAT RC		-	-	-	-	-	-
Konsernets resultat / Profit after taxes incl RC		160 686	(28 796)	9 400	(184 510)	-	(43 220)

* Holding costs and shared services is reported within Group. As stand-alone businesses some build-up of corporate functions in the three business areas is necessary.

Proforma segment reporting per. 30.09.2008 (NOK 1.000)							
Virksomhetsområder / segments	Business	Petroleum Services	Drilling Services	Field Operations	Group	Elimin.	Total
Driftsinnt., ekst. / Operating revenue, external		1 033 123	289 065	615 367	1 860		1 939 415
Driftsinnt., int. / Operating revenue, internal		160 643	195 590	23 569	35 575	(415 377)	-
Driftskost. f. avskr. / Op. ex. before depr.		(923 643)	(455 908)	(578 770)	(122 766)	415 377	(1 665 711)
EBITDA		270 123	28 747	60 166	(85 331)	-	273 704
Avskr. og amortisering / Depr. and amortization		(36 566)	(46 814)	(38 503)	(1 094)		(122 977)
Nedskr. og avsetn./ Write downs and provisions		-	(6 061)	-	-	-	(6 061)
EBIT		233 557	(24 128)	21 663	(86 425)	-	144 666
Netto finansposter / Net financial items		(1 973)	(18 219)	(7 839)	(64 585)		(92 616)
Resultat før skatt / Profit before taxes		231 584	(42 347)	13 824	(151 010)	-	52 050
Skattekostnad / Taxes		(74 107)	13 551	(4 424)	48 323	-	(16 656)
Konsernets resultat / Profit after taxes		157 477	(28 796)	9 400	(102 687)	-	35 394
Profit from the year from discontinued operations					(81 824)		(81 824)
Salgsgev./res.andel RC / Profits from sale/PAT RC							-
Konsernets resultat / Profit after taxes incl RC		157 477	(28 796)	9 400	(184 511)	-	(46 430)

Primary segment reporting per. 30.09.2007 (NOK 1.000)

Virksomhetsområder / segments	Business	Petroleum Services	Drilling Services	Field Operations	Group	Elimin.	Total
Driftsinnt., ekst. / Operating revenue, external		711 502	179 552	571 642	5 409	-	1 468 105
Driftsinnt., int. / Operating revenue, internal		14 600	38 989	36 964	(11 715)	(78 838)	-
Driftskost. f. avskr. / Op. ex. before depr.		(599 519)	(134 041)	(525 027)	(51 319)	78 838	(1 231 068)
EBITDA		126 583	84 500	83 579	(57 625)	-	237 037
Avskr. og amortisering / Depr. and amortization		(27 763)	(31 816)	(43 417)	(97)	-	(103 093)
Nedskr. og avsetn./ Write downs and provisions		-	-	-	-	-	-
EBIT		98 820	52 684	40 162	(57 722)	-	133 944
Netto finansposter / Net financial items		(3 583)	(12 782)	(3 490)	86 261	(140 218)	(73 812)
Resultat før skatt / Profit before taxes		95 237	39 902	36 672	28 539	(140 218)	60 132
Skattekostnad / Taxes		(30 476)	(12 769)	(11 735)	(9 132)	44 870	(19 242)
Konsernets resultat / Profit after taxes		64 761	27 133	24 937	19 407	(95 348)	40 890
Profit from the year from discontinued operations					6 921		6 921
Salgsgev./res.andel RC /Profits from sale/PAT RC					136 562		136 562
Konsernets resultat / Profit after taxes incl RC		64 761	27 133	24 937	162 890	(95 348)	184 373

Proforma segment reporting per. 30.09.2007 (NOK 1.000)

Virksomhetsområder / segments	Business	Petroleum Services	Drilling Services	Field Operations	Group	Elimin.	Total
Driftsinnt., ekst. / Operating revenue, external		768 346	179 552	571 642	5 409	-	1 524 949
Driftsinnt., int. / Operating revenue, internal		14 600	38 989	36 964	(11 715)	(78 838)	-
Driftskost. f. avskr. / Op. ex. before depr.		(654 418)	(134 041)	(525 027)	(51 319)	78 838	(1 285 967)
EBITDA		128 528	84 500	83 579	(57 625)	-	238 982
Avskr. og amortisering / Depr. and amortization		(23 719)	(31 816)	(40 156)	(97)	-	(95 788)
Nedskr. og avsetn./ Write downs and provisions		-	-	-	-	-	-
EBIT		104 809	52 684	43 423	(57 722)	-	143 194
Netto finansposter / Net financial items		(3 623)	(12 782)	(3 490)	86 290	(142 310)	(75 915)
Resultat før skatt / Profit before taxes		101 186	39 902	39 933	28 568	(142 310)	67 279
Skattekostnad / Taxes		(32 380)	(12 769)	(12 779)	(9 142)	45 539	(21 529)
Konsernets resultat / Profit after taxes		68 806	27 133	27 154	19 426	(96 771)	45 750
Profit from the year from discontinued operations					6 921		6 921
Salgsgev./res.andel RC /Profits from sale/PAT RC					136 562		136 562
Konsernets resultat / Profit after taxes incl RC		68 806	27 133	27 154	162 909	(96 771)	189 233

Note 3 – Geographical Distribution of Operating Income

Secondary segment reporting (NOK 1.000)

Geografisk fordeling av driftsinntekter / Geographical distribution of operating income	01.01 - 30.09 2008	01.01 - 30.09 2007
Norge / Norway	444 387	508 178
Europa ekskl. Norge / Europe ex. Norway	562 791	321 091
Asia / Australia	654 327	498 814
Amerika / America	212 878	140 022
Sum / Total	1 874 383	1 468 105

Note 4 - Financial Key Figures

Nøkkeltall / Key figures	Faktisk/Actual	Faktisk/Actual	Faktisk/Actual
NOK 1.000	01.01 - 30.09 2008	01.01 - 30.09 2007	01.01 - 31.12 2007
Gjennomsnittlig antall aksjer / Average number of shares	70 640 808	68 773 845	69 016 557
Resultat pr. aksje (*) / Earnings per share/Diluted EPS	0,55	0,59	0,43
EBITDA-margin	14,0 %	16,1 %	15,3 %
EBIT-margin	7,6 %	9,1 %	6,6 %
Egenkapitalandel / Equity ratio	25,7 %	28,2 %	28,2 %
Netto rentebærende gjeld / Net interest bearing debt	1 364 220	1 068 368	1 039 910

Nøkkeltall / Key figures	Proforma	Proforma	Proforma
NOK 1.000	01.01 - 30.09 2008	01.01 - 30.09 2007	01.01 - 31.12 2007
Gjennomsnittlig antall aksjer / Average number of shares	70 640 808	68 773 845	69 016 557
Resultat pr. aksje / Earnings per share/Diluted EPS	0,50	0,67	0,39
EBITDA-margin	14,1 %	15,7 %	15,0 %
EBIT-margin	7,5 %	9,4 %	6,3 %

The total number of shares at September 30th 2008 was 71.210.080.

Note 5 – Events occurring after balance sheet date

AGR Group ASA entered into an agreement on November 14th 2008 to sell 100% of AGR Project Partner AS with subsidiaries for an enterprise value of NOK 85 million to Semco Maritime AS, the Stavanger subsidiary of the Semco Maritime Group in Denmark. Closing of the agreement is scheduled for November 28th 2008. The sale will not include the activities in Ålesund and Oslo, which will remain in AGR and operate as AGR Marine Engineering AS.