AGR Group ASA

Interim Report
2th quarter and 1st half year of 2010

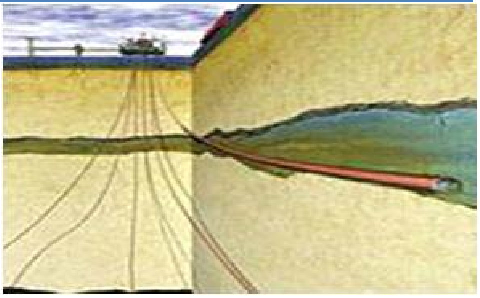
Petroleum Services

Drilling Services

Field Operations

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

Petroleum Services



AGR Petroleum Services delivers a broad service offering within reservoir evaluations, well-planning and management as well as integrated field management to the upstream oil and gas industry. Its core competencies include geology, geophysics, petrophysics, reservoir and petroleum engineering, well construction, drilling management, completion design and installation, field development planning, risk and economics evaluation. The business unit also delivers a broad training portfolio.

Drilling Services

AGR Drilling Services develops and supplies market leading technologies and services including advanced subsea drilling solutions, well work over and clean-out technologies, subsea excavation and pipeline trenching services. Its Riserless Mud Recovery systems (RMR) have been successfully deployed at more than 100 wells.

Field Operations

AGR Field Operations offers a variety of products and services within field development, operations and operational support of oil and gas infrastructures through the entire life of a field. The services are organized under the product lines Integrity & Inspection, Maintenance Management, Operations & Maintenance, Subsea Services and Alternative Energy.

Q2 MANAGEMENT REPORT

Primary segment reporting Q2 2010 only (NOK 1.000)

Business segments	Petroleum Services	Drilling Services	Field Operations	Group	Elimin.	Total
Operating revenue, external	277.204	84.302	277.313	373	-	639.194
Operating revenue, internal	(5.906)	1.054	5.788	2.732	(3.668)	0
Op. ex. before depr.	(232.139)	(72.195)	(245.403)	(9.146)	3.668	(555.215)
EBITDA	**39.159**	**13.161**	**37.699**	**(6.041)**	**-**	**83.979**
Depreciation and amortization	(11.411)	(17.049)	(14.539)	(265)	-	(43.263)
Write downs and provisions	(1.371)	-	-	-	-	(1.371)
EBIT	**26.377**	**(3.888)**	**23.159**	**(6.305)**	**-**	**39.345**

Primary segment reporting Q2 2009 only (NOK 1.000)

Business segments	Petroleum Services	Drilling Services	Field Operations	Group	Elimin.	Total
Operating revenue, external	258.063	61.224	283.939	4.192	(3.420)	603.997
Operating revenue, internal	2.205	1.019	1.217	(15.589)	11.149	0
Op. ex. before depr.	(229.312)	(55.472)	(254.346)	421	(7.729)	(546.436)
EBITDA	**30.956**	**6.771**	**30.810**	**(10.976)**	**-**	**57.561**
Depreciation and amortization	(18.388)	(18.983)	(13.344)	(357)	-	(51.073)
Write downs and provisions	-	(199.732)	-	-	-	(199.732)
EBIT	**12.568**	**(211.945)**	**17.466**	**(11.333)**	**-**	**(193.244)**

EBITDA: Earnings before interest, tax, depreciation and amortisation, excluding inventory/asset write downs
Cost related to the AGR Share Investment Program (EBC) has been moved from the divisions into Group.

AGR Group

Operating revenue for the Group for the second quarter of 2010 increased with 6% compared to the same quarter previous year and based on improvements in all business areas, the EBITDA increased by 45% to NOK 84 million compared to NOK 58 million in the second quarter in 2009.

Divisional Reports

AGR Petroleum Services

The overall market for AGR Petroleum Services continues to improve after the economic downturn in 2009. Performance within several regions and business lines have improved accordingly and in total the area delivered a Q2 EBITDA of NOK 39 million compared to NOK 31 million in Q2 2009.

During the quarter the division managed seven rigs, one in Norway, three in UK and three in Americas, and spudded nine wells. Several contracts have been awarded during the second quarter of 2010 including a multi-well, multi-client drilling campaign on behalf of seven international operators and it is expected to drill more than 15 exploration wells in the Norwegian sector of the North Sea during the three year program. The 4th generation semi-submersible drilling unit, Borgland Dolphin, has been contracted to undertake the drilling activity. Planning of the first exploration wells for OMV and ERN has started and drilling is expected to commence in the spring of 2011.

Within Consultancy the activity level and number of consultants have increased during Q2, with the strongest growth within the Norwegian operations. During the quarter several new contracts have been signed including contracts with Cooper Energy and Aurelian.

The market for Reservoir and Field Management is also showing signs of improvement and the activity level has increased compared to Q1 2010.

AGR Drilling Services

The second quarter showed an improvement compared to the same period last year, and the business area delivered an EBITDA of NOK 13 million compared to NOK 7 million in Q2 2009. The main contributor to this result was the RMR product line. 6 RMR™ wells were drilled during Q2, up from 4 wells during the same period last year.

In Well Services, the activity level continued to be low due to the market conditions, but the activity level is expected to grow during the coming quarters.

In June the Trenching and Excavation product line secured a contract with Van Oord for the provision of excavation services to the Gorgon Project. Under the contract, the ClayCutter X™ and SeaVator™ service lines will be used to perform excavation on a steep subsea escarpment off the north-west Australian coast to allow the pipeline to be laid in a more direct route to shore. The AGR Drilling Services work scope is estimated to have a value of AUD 7 million and will be completed early 2011.

AGR Field Operations

EBITDA for the second quarter of 2010 was NOK 38 million compared to NOK 31 million for the same period last year. With a high activity level and a large portion of the revenue from high margin services, the financial performance in second quarter came out strong.

During second quarter 2010 AGR Field Operations had the strongest order intake ever recorded in one single quarter and several important long term contracts were secured. The most important award was a new long term contract with Statoil ASA for In-Service Inspection on 24 of their assets on the Norwegian Continental Shelf with an estimated value of more than NOK 750 million including options. Other announced contracts in the second quarter include an extension of the frame agreement with Statoil for Maintenance Engineering Services and the extension of the current frame agreement for Pipeline Integrity Services. Other long term contracts have also been secured in both Norway and Australia during second quarter.

AGR Field Operations has been involved in many tenders in the Americas region during 2010. This has resulted in several In-Line Inspection projects being awarded recently. These awards confirm the demand for AGR Field Operations technologies in the Americas region. New awards and continued growth is expected in this region during 2010.

The strong order intake confirms AGR Field Operations' competitiveness and the continued strong demand for AGR Field Operations products and services.

Group / Other

Adjusted for costs related to the AGR Share Investment Program (EBC)[1], Group costs are at the same level as the same period in 2009.

[1] Refer to Note 37 in the Annual Report 2009 for more information about the AGR Share Investment Program.

H1 2010 MANAGEMENT REPORT

Primary segment reporting per. 30.06.2010 (NOK 1.000)						
Business segments	**Petroleum Services**	**Drilling Services**	**Field Operations**	**Group**	**Elimin.**	**Total**
Operating revenue, external	525.849	158.689	543.556	657		1.228.753
Operating revenue, internal	1.154	6.282	9.279	5.535	(22.250)	0
Op. ex. before depr.	(460.418)	(140.405)	(498.402)	(17.212)	22.250	(1.094.187)
EBITDA	**66.585**	**24.566**	**54.434**	**(11.020)**	**-**	**134.567**
Depreciation and amortization	(21.935)	(34.875)	(28.553)	(488)		(85.851)
Write downs and provisions	(1.371)					(1.371)
EBIT	**43.279**	**(10.309)**	**25.880**	**(11.507)**	**-**	**47.344**

Primary segment reporting per. 30.06.2009 (NOK 1.000)						
Business segments	**Petroleum Services**	**Drilling Services**	**Field Operations**	**Group**	**Elimin.**	**Total**
Operating revenue, external	518.678	136.072	474.236	11.165	(3.420)	1.136.731
Operating revenue, internal	6.362	1.317	10.220	(14.147)	(3.752)	(0)
Op. ex. before depr.	(467.128)	(121.761)	(436.347)	(27.955)	7.172	(1.046.018)
EBITDA	**57.912**	**15.628**	**48.109**	**(30.937)**	**-**	**90.713**
Depreciation and amortization	(31.296)	(37.978)	(26.220)	(672)	-	(96.167)
Write downs and provisions	-	(199.732)	-	-	-	(199.732)
EBIT	**26.616**	**(222.082)**	**21.889**	**(31.609)**	**-**	**(205.186)**

EBITDA: Earnings before interest, tax, depreciation and amortisation, excluding inventory/asset write downs
Cost related to the Share Investment Program (EBC) has been moved from the divisions into Group.

AGR Group

Operating revenue for the Group grew with 8% from NOK 1 137 million in the first six months of 2009 to NOK 1 229 million for the same period in 2010. Based on improvements in all business areas and significantly reduced costs in relation to the AGR Share Investment Program (EBC), the EBITDA for the Group was NOK 135 million compared to NOK 91 million for the first half of 2009.

Divisional Reports

AGR Petroleum Services

Due to an improvement in the activity level in the second quarter of 2010, the EBITDA for AGR Petroleum Services for the first six months of 2010 increased to NOK 67 million compared to NOK 58 million for the same period last year.

Compared to 2009, the Well Management division has experienced a stronger market in 2010, particularly in the UK and Norwegian sector. Other regions are still affected by the slowdown in drilling activity. In the first six months of 2010 fifteen wells were spudded, and ten rigs were operated; one rig in Norway, three in UK, five in Americas and one in the Middle East.

The campaign in the South Pacific Ocean is steadily growing as Desire Petroleum is executing their options on more wells. In addition the first well for Hurricane has been drilled and tested successfully west of Shetland. In Norway the Bredford Dolphin Consortium ended in June. This has been a very successful campaign for both the operators and AGR Petroleum Services. There are still two wells to be drilled with the Bredford Dolphin for RWE DEA, and operations will run on the rig into Q4 2010. New well slots are being marketed on the rig. A number of contracts have been awarded during the first half of 2010 including a significant drilling campaign on behalf of seven international operators for more than 15 exploration wells in the Norwegian sector of the North Sea with the semi-submersible drilling unit Borgland Dolphin.

Overall the market and activity level within Reservoir and Field management has improved over the course of the first six months of 2010, but UK and Russia has been below expectations. Projects for the national Oil & Gas Companies have also contributed to an improvement during Q2. In Norway Reservoir Management has been awarded the contract for doing the reserves review on the Froy field for Det Norske Oljeselskap and asset evaluation for Skeie Energy.

Steady performance within the Consultancy activities with an increase in the number of consultants in the second half of the period.

In Q2 Francis Brown retired as the leader of AGR Petroleum Services' US subsidiary AGR FJ Brown in Houston. He was succeeded by Erling Storaune. Francis Brown will continue in a consulting role.

So far the operations of AGR Petroleum Services has not been influenced by the moratorium that bans deepwater drilling and imposes stricter regulations for drilling in shallow water in the Gulf of Mexico as a consequence of the Deepwater Horizon oil rig accident.

AGR Drilling Services

The first half of 2010 showed an improvement compared to the same period in 2009. EBITDA for the period was NOK 25 million compared to NOK 16 million last year.

A key service within the division is Riserless Mud Recovery (RMR™). The RMR™ technology, developed within AGR improves drilling operations by reducing the risk and cost of drilling top-hole sections in offshore wells. The RMR™ system was initially taken up by clients who wished to utilize more sophisticated drilling fluids to reduce risk while drilling unstable formations. The system also allows for recovery and recycling of material discharged from the well during drilling, such as cuttings and mud, ensuring a zero discharge to the environment.

During H1 2010, the number of wells drilled with RMR™ was 13, up from 11 during the same period last year. Significant increase in activity was seen in the Caspian region partly due to BP's wide use of the RMR™ for Managed Pressure Cementing (MPC) applications in the challenging formations found offshore Azerbaijan.

AGR Drilling Services has during 2010 seen a notable increase in the number of clients starting to incorporate the RMR™ during the well design phase to reduce the number of casings and therefore the overall cost of well construction. In addition, clients are increasingly seeking input and collaboration from AGR Drilling Services to utilize the RMR™ and related technologies within Managed Pressure Drilling applications, where conventional drilling practices are not sufficient to reach the reservoir. The product development department is consequently involved in an increasing number of promising projects that may extend the use of the technology associated with the mud pump principle into the entire drilling phase of a well. This includes the further development and implementation of EC-Drill™, Dual Gradient Drilling (DGD) and Riserless drilling Systems (RDS). Thus, the application of this technology has a potential to increase significantly going forward.

The Well Services product line within AGR Drilling Services had seen reduced activity during H1 2010 compared to the same period last year, mainly due to market conditions. However, based on existing contracts and a number of opportunities in the market, the activity level is expected to increase in the 2nd half of the year.

The third business line within AGR Drilling Services undertakes seabed excavation and trenching of subsea pipelines. After a slow start in 2010 due to delays in expected projects, several contracts were awarded in Q2, most notably the contract for provision of excavation services to the Gorgon Project. This will improve capacity utilisation and contribution from this business line for the rest of 2010.

AGR Field Operations

EBITDA for first half of 2010 was NOK 54 million compared to NOK 48 million for the same period last year. The beginning of the year was negatively impacted by the downturn within onshore non-destructive testing due to weather conditions and reduced utilization of resources in Europe due to the problems caused when the volcano at Iceland erupted. However, with a high activity level and strong profitability in second quarter, the EBITDA improved compared to the same period last year.

The year to date order intake is record high with a number of long term contracts secured. During first half of 2010 AGR Field Operations was awarded a number of contracts with PTTEP for various services related to support their Australian operations. In Q2 2010 AGR Field Operations secured an extension of its frame agreement with Statoil for Maintenance Engineering Services with a duration of two years and an estimated value including options of NOK 80 million. Statoil has also exercised an option to extend the current frame agreement for Pipeline Integrity Services with an estimated value of NOK 30 million. Further, and the most important award, was the new long term contract with Statoil ASA for In-Service Inspection on 24 of their assets on the Norwegian Continental Shelf with an estimated contract value of more than NOK 750 million.

In addition to these important contract awards and extensions, AGR Field Operations secured a large number of smaller contracts and projects during the first half of 2010. The record high order intake for the first half of 2010 builds the basis for a continued strong growth.

The integration of services of between regions is developing according to plan. As a result of this, the Maintenance Management product line is experiencing a strong growth in Australia. The number of employees within Maintenance Management in Australia has been more than doubled during 2010.

In Q1 AGR Field Operations introduced a new Subsea Integrity Solution to the market. The Trident technology is a new inspection technology for diver assisted inspection subsea. The technology includes Phased Array capabilities, enabling a 3D inspection of Subsea Infrastructure. The same capabilities have also been integrated to the existing Neptune ROV operated subsea inspection units. By introducing this technology, AGR Field Operations can offer the highest resolution external inspection tools available in the market.

Group / Other

Group consist of corporate administration and special projects. In order to show pure results in each division, all costs related to the AGR Share Investment Program (EBC)[2] have been moved out of the divisions and into Group.

Group costs are significantly reduced in the first six months of 2010 compared to the same period last year. The main reason is that AGR in Q1 2009 expensed the remaining part of the Group's initial investment in the AGR Share Investment Program (EBC).

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[2] Refer to Note 37 in the Annual Report 2009 for more information about the AGR Share Investment Program.

In June, the CannSeal tool was run in the Aker Well Service shallow well and performed full scale operations successfully. The operation was witnessed by a major operator who concurred in the qualification of the tool. CannSeal is now fully qualified for field application and search continues to identify a well candidate and perform a field trial of the system.

At the Annual General Assembly in May 2010, Eivind Reiten was elected Chairman of the Board of Directors. The former Chairman of the Board, Hugo Maurstad, will continue as Director.

Other financial information

Profit after tax for the first six months of 2010 was negative NOK 15 million compared to negative NOK 258 million for the same period in 2009. In Q2 2009 an impairment charge of NOK 200 million was made related to goodwill and assets in AGR Drilling Services. For more information about the results, see the divisional reports section.

The Group had total assets of NOK 2 689 million at the end of the second quarter of 2010 which is a slight increase from NOK 2 522 million at year end 2009. This is mainly due to an increase in receivables, payables and cash. At the end of the second quarter 2010, the equity ratio was 24 percent.

Due to a reduction in working capital accumulated cash flow from the Group's operational activities was NOK 190 million. Net investments for the Group were NOK 35 million. The capital expenditure was mainly related to AGR Field Operations equipment, positioning AGR for future growth, and development projects such as CannSeal. The Group had a total net cash flow of NOK 75 million in the first half year of 2010 compared to negative NOK 334 million for the same period in 2009.

Net interest-bearing debt for the Group was NOK 1 120 million at the end of Q2 2010 compared with NOK 1 241 million at the end of 2009. At the end of Q2 2010, NOK 878 million of interest bearing debt is fixed through interest swaps/options constituting 70% of total interest bearing debt.

Earnings per share for the first six months of 2010 were negative NOK 0.12 compared to negative NOK 3.63 for the same period in 2009.

Risks and uncertainties

General
Note 2 in the company's 2009 Annual Report Note details certain inherent risk and uncertainties in investing in the company.

Financial risk
The main financial risks are related to oil and gas prices, currency rates, interest rates and compliance with debt covenants. Financial risk management is carried out by group treasury under policies approved by the Board of Directors as described in the Annual Report 2009 Note 2.

Research and development
The AGR Group has a number of new technologies in development. The current two most significant projects are Dual Gradient Drilling and the CannSeal tool. The Dual Gradient Drilling project has the potential to be an enabling technology for ultradeepwater assets globally, and in 2009 AGR executed a contract with Chevron to project-manage, engineer, build and deploy such a system. CannSeal is a tool for sealing off water and gas inflow into the wells, which is a key challenge to reservoir management on the Norwegian continental shelf and internationally.

Technology development is a core part of AGR Group's business, and the group has extensive experience with research and development projects. However, although the current R&D projects are progressing according to plan, there will be uncertainty in relation to the timing of, and the commercial success, of these products.

Operational performance

The AGR Group was to some extent affected by the economic downturn in 2009, but there are now signs that the downturn may be leveling out, such as an increase in oil price and higher activity in the rig market. However, there is still uncertainty as to when and if drilling activity will return to the levels before the economic downturn in all regions. This will affect the timing of the expected pick up for rig campaigns and the utilization of RMR's, which are both important value drivers in AGR.

Financial covenants

Lack of satisfying results going forward will increase the risk that intangible assets may be partly impaired and should be written down, that the company will not be in compliance with debt covenants and will also have a negative effect on the cash situation.

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 2010 has been prepared in accordance with IAS 34 – Interim Financial Reporting and gives a true and fair view of the Group's assets, liabilities, financial position and profit and loss as 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 party transactions.

Oslo, 30 August 2010

Board of Directors and Chief Executive Officer
AGR Group ASA

sign.
Eivind Reiten
Chairman of the Board

sign.
Reynir Indahl

sign.
Tove Magnussen

sign.
Fiona Walker

sign.
Hugo Maurstad

sign.
Per Inge Remmen

sign.
Thomas Nilsson

sign.
Maria Tallaksen

sign.
Sverre Skogen
Chief Executive Officer

Financial consolidated information and notes

Basis of Preparation and Accounting Principles

This condensed consolidated interim financial information for the three and six months ended 30 June 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 2009, which has been prepared in accordance with IFRS. This condensed consolidated interim information has not been audited.

AGR Dpal AS and Liquegas have been classified as discontinued operations according to IFRS, and will be presented separately in the income statement and balance sheet.

Condensed consolidated income statement

Income Statement	Actual	Actual	Actual	Actual
NOK 1.000	**01.04 - 30.06 2010**	**01.04 - 30.06 2009**	**01.01 - 30.06 2010**	**01.01 - 30.06 2009**
Operating revenue	639.194	603.997	1.228.753	1.136.731
Operating expenses before depreciation	(555.215)	(546.436)	(1.094.187)	(1.046.018)
Operating profit before depreciation (EBITDA)	**83.979**	**57.561**	**134.566**	**90.713**
Depreciation and amortisation	(43.263)	(51.073)	(85.851)	(96.167)
Write downs and provisions	(1.371)	(199.732)	(1.371)	(199.732)
Operating profit (EBIT)	**39.345**	**(193.244)**	**47.344**	**(205.186)**
Net financial items	(41.697)	(71.573)	(69.224)	(110.058)
Profit before taxes	**(2.352)**	**(264.817)**	**(21.880)**	**(315.244)**
Taxes	753	40.673	7.002	56.810
Profit after taxes	**(1.599)**	**(224.144)**	**(14.878)**	**(258.434)**
Profit after tax from discontinued operations	229	(2.844)	(1.263)	(5.077)
Gain from sale of discontinued operations	-	-	-	-
Result from discountinued operations	**229**	**(2.844)**	**(1.263)**	**(5.077)**
Profit/(loss) for the year	**(1.370)**	**(226.988)**	**(16.142)**	**(263.511)**

Key figures	Actual	Actual
NOK 1.000	**01.01 - 30.06 2010**	**01.01 - 30.06 2009**
Earnings per share/Diluted EPS	(0,12)	(3,63)

Condensed consolidated balance sheet

Balance Sheet		Actual	Actual
NOK 1.000		30.06.2010	31.12.2009
Fixed assets			
Deferred tax asset		144.972	137.422
Patents, research and development		173.187	185.911
Goodwill		927.735	901.849
Land and buildings		38	44
Machinery and other equipment		485.042	513.805
Financial fixed assets		3.873	120
Total fixed assets		**1.734.847**	**1.739.151**
Current assets			
Inventory		27.571	10.674
Accounts receivable		679.284	634.057
Other receivables		130.987	93.453
Shares held for trading purposes		-	-
Assets of disposal group classified as held for sale		8.940	13.457
Cash and cash equivalents		107.090	31.645
Total current assets		**953.872**	**783.286**
Total assets		**2.688.719**	**2.522.437**
Equity			
Paid in capital		1.097.688	1.097.688
Other equity		(465.148)	(478.388)
Minority interest		50	-
Total equity		**632.590**	**619.300**
Long-term liabilities			
Provisions		16.692	42.708
Deffered tax liability		27.102	26.996
Other longterm liability		-	-
Liabilities to financial institutions	Note 1	1.015.679	1.098.435
Total long-term liabilities		**1.059.473**	**1.168.139**
Short-term liabilities			
Liabilities of disposal group classified as held for sale		77	1.033
Short-term liabilities	Note 1	996.579	733.965
Total short-term liabilities		**996.656**	**734.998**
Total liabilities		**2.056.129**	**1.903.137**
Total equity and liabilities		**2.688.719**	**2.522.437**

Condensed consolidated statement of comprehensive income

Statement of comprehensive income	Actual	Actual	Actual
NOK 1.000	**Six months ended 30 June**		**Year ended 31 December**
	2010	**2009**	**2009**
Profit for the period	**(16.142)**	**(263.511)**	**(322.919)**
Other comprehensive income	-	-	-
Fair value gains on available-for-sale financial assets, net of tax	-	-	-
Cash flow hedges, net of tax	-	-	-
Currency translation differences	29.382	43.189	(10.999)
Other comprehensive income for the period, net of tax	-	-	-
Total comprehensive income for the period	**13.240**	**(220.322)**	**(333.918)**
Profit attributable to:			
- owners of the company	(16.073)	(262.149)	(322.918)
- minority interest	(69)	(1.362)	-

Condensed consolidated statement of cash flow

Cash-flow Statement			
NOK 1.000	**01.01 - 30.06**	**01.01 - 30.06**	**01.01 - 31.12**
	2010	**2009**	**2009**
Ordinary profit(loss) before taxes	**(23.738)**	**(314.293)**	**(456.380)**
Adjustment			
Taxes paid	(17.864)	(19.819)	(55.397)
Share of loss/profitt from sales of subsidiaries	-	-	-
Depreciation and amortization of tangible assets	87.222	295.899	498.188
Adjustment for market value on shares	-	101	482
Share of loss/profitt from associates	2.203	-	9.776
Financial items without cash-impact	-	-	-
Change in inventory	(16.897)	11.680	6.381
Change in trade receivables	(45.227)	243.818	390.745
Change in trade payables	252.436	(369.851)	(486.921)
Change in pension liabilities	-	-	(1.047)
Change asset/liabilities held-for-sale	-	-	-
Change in other accruals	(48.136)	(108.250)	(3.552)
Net cash-flow from operating activities	**189.999**	**(260.714)**	**(97.725)**
Cash inflows from sale of property, plant and equipment and other assets	-	170	80.776
Cash inflows from sale of subsidiary	-	-	-
Cash outflows for additions to property, plant and equipment and intangible assets	(34.536)	(73.684)	(123.016)
Cash outflows for acquisitions less acquired cash	-	-	-
Cash outflows for investments in associated companies	-	-	(9.795)
Change asset/liabilities held-for-sale	-	-	-
Net cash-flow from investment activities	**(34.536)**	**(73.514)**	**(52.035)**
Issuance of debt	(80.019)	-	(381.518)
Issuance of shares	-	-	169.416
Net cash-flow from financing activities	**(80.019)**	-	**(212.102)**
Net changes in cash and cash equivalents	**75.444**	**(334.228)**	**(361.862)**
Cash and cash equivalents at period start	**31.645**	**393.508**	**393.508**
Cash and cash equivalents at period end	**107.089**	**59.280**	**31.645**

Condensed consolidated statement of changes in equity

Equity reconciliation			
NOK 1.000	**01.01 - 30.06 2010**	**01.01 - 30.06 2009**	**01.01 - 31.12 2009**
Equity at period start	**619.300**	**805.511**	**805.511**
Profit after taxes	(16.142)	(263.511)	(322.919)
Exchange differences	29.382	43.189	(10.999)
Minority interest	50	286	(16.957)
Share issue		-	169.416
Treasury shares			(4.752)
Equity at period end	**632.590**	**585.475**	**619.300**

Note 1 – Interest bearing debt

Net interest-bearing debt	Actual	Actual	Actual
NOK 1.000	**30.06.2010**	**30.06.2009**	**31.12.2009**
Long term debt to credit institutions	1.015.679	0	1.098.435
Short term debt to credit institutions	211.151	1.649.186	174.234
Total interest-bearing debt	**1.226.830**	**1.649.186**	**1.272.669**
Cash and cash equivalents	107.090	59.280	31.645
Net interest-bearing debt	**1.119.740**	**1.589.906**	**1.241.024**

- According to IFRS the capitalized arrangement fee is deducted from the total net interest-bearing debt in the above table and balance sheet

Note 2 – Segment Information

AGR reports segmented information on the following business units: *AGR Petroleum Services, AGR Drilling Services and AGR Field Operations. Group* consists of corporate administration and special projects.

Primary segment reporting per. 30.06.2010 (NOK 1.000)						
Business segments	**Petroleum Services**	**Drilling Services**	**Field Operations**	**Group**	**Elimin.**	**Total**
Operating revenue, external	525.849	158.689	543.556	657		1.228.753
Operating revenue, internal	1.154	6.282	9.279	5.535	(22.250)	0
Op. ex. before depr.	(460.418)	(140.405)	(498.402)	(17.212)	22.250	(1.094.187)
EBITDA	**66.585**	**24.566**	**54.434**	**(11.020)**	**-**	**134.567**
Depreciation and amortization	(21.935)	(34.875)	(28.553)	(488)		(85.851)
Write downs and provisions	(1.371)					(1.371)
EBIT	**43.279**	**(10.309)**	**25.880**	**(11.507)**	**-**	**47.344**
Net financial items	(48.861)	(18.696)	(17.152)	15.486		(69.224)
Profit before taxes	**(5.581)**	**(29.005)**	**8.728**	**3.979**	**-**	**(21.880)**
Taxes	1.786	9.282	(2.793)	(1.273)	-	7.002
Profit after taxes	**(3.795)**	**(19.723)**	**5.935**	**2.706**	**-**	**(14.878)**
Profit after tax from discontinued operations				(1.263)	-	(1.263)
Profit/(loss) for the year	**(3.795)**	**(19.723)**	**5.935**	**1.442**	**-**	**(16.142)**

Primary segment reporting per. 30.06.2009 (NOK 1.000)						
Business segments	**Petroleum Services**	**Drilling Services**	**Field Operations**	**Group**	**Elimin.**	**Total**
Operating revenue, external	518.678	136.072	474.236	11.165	(3.420)	1.136.731
Operating revenue, internal	6.362	1.317	10.220	(14.147)	(3.752)	(0)
Op. ex. before depr.	(467.128)	(121.761)	(436.347)	(27.955)	7.172	(1.046.018)
EBITDA	**57.912**	**15.628**	**48.109**	**(30.937)**	**-**	**90.713**
Depreciation and amortization	(31.296)	(37.978)	(26.220)	(672)	-	(96.167)
Write downs and provisions	-	(199.732)	-	-	-	(199.732)
EBIT	**26.616**	**(222.082)**	**21.889**	**(31.609)**	**-**	**(205.186)**
Net financial items	(62.551)	(35.816)	(24.653)	12.962	(0)	(110.058)
Profit before taxes	**(35.935)**	**(257.898)**	**(2.764)**	**(18.647)**	**(0)**	**(315.244)**
Taxes	11.499	38.459	885	5.967	0	56.810
Profit after taxes	**(24.436)**	**(219.438)**	**(1.880)**	**(12.680)**	**(0)**	**(258.434)**
Profit after tax from discontinued operations				(5.077)	-	(5.077)
Profit/(loss) for the year	**(24.436)**	**(219.438)**	**(1.880)**	**(17.757)**	**(0)**	**(263.511)**

Note 3 – Geographical Distribution of Operating Income

Secondary segment reporting (NOK 1.000)		
Geographical distribution of operating i	01.01 - 30.06 2010	01.01 - 30.06 2009
Norway	459.269	404.323
Europe ex. Norway	167.571	172.930
Australia	328.679	340.527
America	110.326	111.518
Africa	162.908	107.432
Total	**1.228.753**	**1.136.731**

Note 4 - Financial Key Figures

Key figures	Actual	Actual	Actual	Actual	Actual
	01.04 - 30.06 2010	01.04 - 30.06 2009	01.01 - 30.06 2010	01.01 - 30.06 2009	01.01 - 31.12 2009
Average number of shares	125.898.308	71.210.808	125.898.308	71.210.808	84.882.683
Earnings per share/Diluted EPS	(0,01)	(3,15)	(0,12)	(3,63)	(4,12)
EBITDA-margin	13,1 %	9,5 %	11,0 %	8,0 %	11,2 %
EBIT-margin	6,2 %	-32,0 %	3,9 %	-18,1 %	-9,6 %
Equity ratio	23,5 %	19,2 %	23,5 %	19,2 %	24,6 %
Net interest bearing debt	1.119.740	1.589.906	1.119.740	1.589.906	1.241.024

Note 5 – Related party transactions

There are no significant transactions that affect the company's financial position.

Note 6 – Subsequent events

There are no significant transactions that affect the company's financial position.