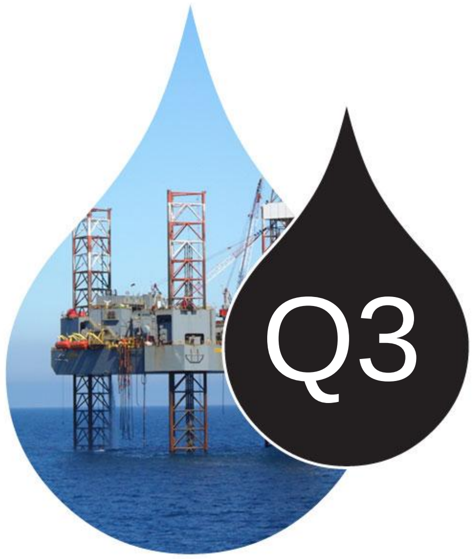
# Interim Report

## 1 January – 30 September 2011




## SUMMARY


- Group revenue for the third quarter amounted to SEK 493.7 million (530.0).
- EBITDA for the quarter totalled SEK 295.1 million (281.6).
- Profit before tax for the third quarter was SEK 16.4 million (315.1).
- Earnings per share before and after dilution were SEK -0.18 (0.22).
- The discovery of gas and condensate on Broder Tuck in Denmark was confirmed through a sidetrack. Drilling is under way on Lille John, where oil was discovered in October in a first structure, and continues now to the well's primary target.
- The Aseng FPSO arrived at the field with testing completed in mid-October, and installations are under way ahead of the start of production in the fourth quarter.
- During flow testing the last few days the production well at Didon North encountered unexpected complications preventing oil from flowing in the well, hence it has been decided to suspend the well.


**FINANCIAL KEY RATIOS**

| | Q3 2011 | Q3 2010 | Jan-Sept. 2011 | Jan-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|---|---|
| Revenue (SEK million) | 493.7 | 530.0 | 1,619.1 | 1,529.1 | 2,226.7 |
| EBITDA (SEK million) | 295.1 | 281.6 | 989.4 | 838.0 | 1,275.7 |
| EBITDA margin | 59.8% | 53.1% | 61.1% | 54.8% | 57.3% |
| Operating profit (SEK million) | 101.2 | 94.3 | 386.7 | 271.7 | 490.4 |
| Operating margin | 20.5% | 17.8% | 23.9% | 17.8% | 22.0% |
| Profit before tax (SEK million) | 16.4 | 315.1 | 146.9 | 88.2 | 179.3 |
| Earnings per share after dilution (SEK) | -0.18 | 0.22 | -0.36 | -0.35 | -0.61 |

PA RESOURCES

## CEO'S COMMENTS

As the operator for Danish licence 12/06, we are very pleased with the two discoveries made to date as a result of our own analysis of the geological conditions. The results confirm the potential of our assets and for further exploration in Denmark.

Less successful were the results from Jelma in Tunisia, where no producible hydrocarbons were encountered, despite indications of such during the drilling. We are currently evaluating the results before making a decision on further programmes for the licence.

It is positive to note that development of Aseng, our largest emerging field, is ahead of schedule and will give us a considerable addition of production volume and cash flow in the fourth quarter. In contrast to Aseng, development of the Didon North satellite field has encountered technical and geological problems. A preliminary analysis is that the well has unexpectedly encountered faults preventing the oil from flowing. After several attempts to flow the well, we have with great disappointment decided to suspend the well and release the rig.

Despite lower production, the price of oil had a continued favourable impact on our revenue during the quarter. The fears of contagion of the European debt crisis have given rise to fluctuations in the financial markets. The price of oil dropped 5% during the quarter and is currently hovering around USD 110 per barrel. The price trend for Brent is mainly due to a continued shortage of extra production capacity. Should the global economy enter into a deeper crisis with near zero growth, several analysts predict a lower price of oil in the near term. However, with global growth of around 2-3%, no major downside is expected.

The discoveries we made in Denmark have resulted in an expanded drilling programme with further activities and will, together with the complications on Didon North, result in an increase in capital expenditures. In addition, the earlier scheduling of activity on Aseng will result in higher capital expenditures at the end of the year than originally planned. All in all, this entails that the anticipated level of SEK 1,250 million for the year will be exceeded. We are therefore revising our forecast for the full year to SEK 1,700 - 1,800 million. The capex budget for 2012 will be significantly lower, and our forecast is currently in the range of SEK 300-500 million.

During the fourth quarter, drilling of a sidetrack on Lille John in Denmark will continue in the aim of reaching the main Chalk target. On Broder Tuck, recoverable volumes will be determined while we study our development alternatives. We also hope that future drilling on the Marine XIV licence in the Republic of Congo will show additional resources.

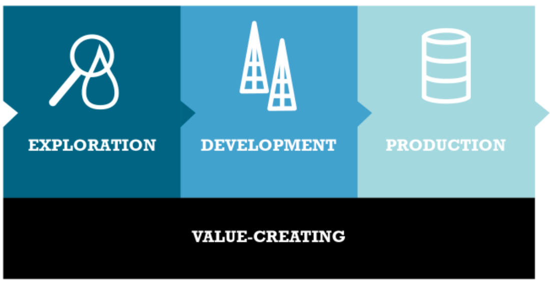
*Bo Askvik, President and CEO, PA Resources AB*

## IMPORTANT EVENTS DURING THE QUARTER

- A discovery of gas and condensate was made on Broder Tuck on the Danish licence 12/06 and has been confirmed through a sidetrack.
- Drilling commenced on Lille John on the same licence, and oil was encountered in mid-October in one of the structures.
- Tests of both exploration wells on Jelma in Tunisia were concluded unsuccessfully, and the results and the licence's potential are being further evaluated.
- The Aseng FPSO departed from Singapore and arrived in Equatorial Guinea in mid-October for installation.

## PA RESOURCES IN BRIEF

PA Resources' business consists of the acquisition, development, extraction and divestment of oil and gas reserves, and exploration for new reserves. Production of oil generates important cash flow that enables the investments required to increase the Group's reserves and thus shareholder value. Geographically, PA Resources focuses on three regions: North Africa, West Africa, and the North Sea and Greenland.




**Value creating business model**
PA Resources conducts exploration activities to increase its oil and gas resources. Value is also created by moving resources to reserves by efficiently progressing assets to the production phase. Prioritised investments are financed by cash flow from production along with external capital and revenue raised from active management of the asset portfolio. The objective is to obtain a balanced operation an asset portfolio that generates long-term production and growth in value.

**Strategic focus**

PA Resources' focus is predominantly on generating greater value from its existing assets. A growing number of assets will be moved into the production phase, thus enabling the Company to achieve a long-term increase in production. A complementary aim is to increase the amount of reserves and resources through selective exploration.

# OPERATIONAL OVERVIEW

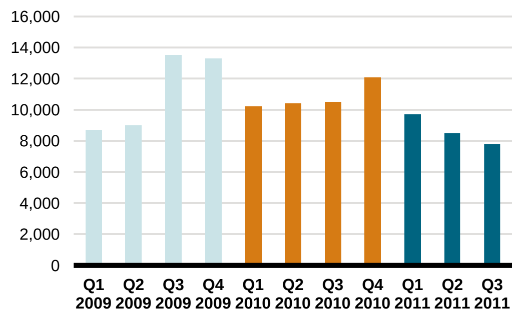
### Production and sales

#### QUARTER 3, 2011 (1 JULY–30 SEPTEMBER)

PA Resources' total oil production during the third quarter was 721,400 barrels (969,700). Average production was 7,800 barrels (10,500) per day. Of this total, the Azurite field in the Republic of Congo produced 4,500 barrels (5,900), and the six oilfields in Tunisia produced 3,300 barrels (4,600) per day. Production is based on working interest, which is PA Resources' share of total, gross production before deduction for royalty and other taxes.

A total of 518,700 barrels (634,800) of oil were sold, excluding royalties, at an average price of USD 106 per barrel (72).

***Average production per quarter (barrels/day)***



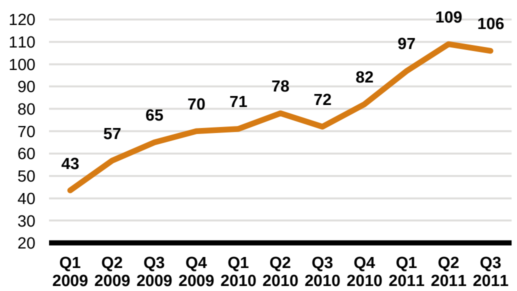

#### NINE MONTHS 2011 (1 JANUARY–30 SEPTEMBER)

Total oil production during the first nine months of the year was 2,369,400 barrels (2,802,900), and average production was 8,700 barrels per day (10,300). A total of 1,697,800 barrels (2,178,900) of oil were sold, excluding royalties, at an average price of USD 103 per barrel (74).

Oil inventory including royalty and other taxes increased by 190,728 barrels during the period to 452,884 barrels at the end of the period.

Total oil inventory as per the balance sheet date is stated at fair value and is reported as if the inventory had been sold. Sales vary from quarter to quarter and depend on when inventory has been filled up and customers collect the agreed upon volume.

***Average sales price per quarter (USD per barrel)***




### Drilling programme 2011/2012

The drilling programme for the remainder of 2011 and for 2012 comprises up to three exploration wells and one appraisal well. PA Resources estimates that these wells may contain oil resources of approximately 327 million barrels of oil equivalents, of which approximately 91 million barrels net for PA Resources.

The gas and condensate discovery that was made on Broder Tuck on the Danish licence 12/06 in July was confirmed in August via a sidetrack. Drilling of the licence's other prospect, Lille John, is in progress, and in mid-October oil was discovered in the shallowest structure. The well is now being sidetracked to the main target in a deeper structure. Also during the quarter, tests were concluded of the exploration wells on the Jelma licence in Tunisia, but without success. In late October it has been decided to suspend the production well on Didon North as the well did not produce oil during flow tests.

| Licence | Field/Prospect | Time | Well/number |
|---|---|---|---|
| ***Tunisia*** | | | |
| Zarat | Elyssa | 2H 2012/ 1H 2013 | Appraisal/1 |
| ***Republic of Congo*** | | | |
| Marine XIV | Makouala | Q4 2011 | Exploration/1 |
| ***Equatorial Guinea*** | | | |
| Block H | Aleta | 2012 | Exploration/1 |
| ***Denmark*** | | | |
| Block 12/06 | Lille John | Ongoing 2011 | Exploration/1 |

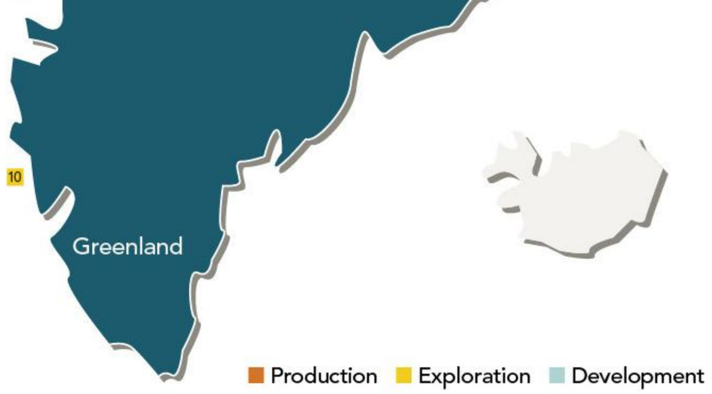
The drilling programme is revised continuously based on the capex budget and prioritised commitments.

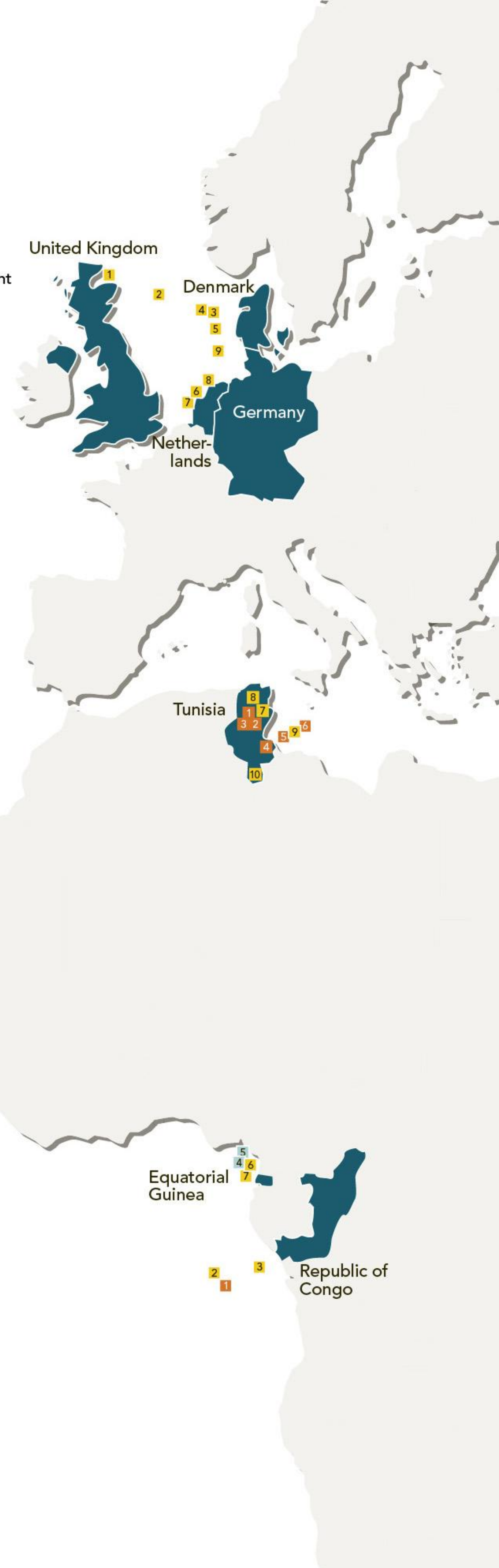
### Capital expenditures 2011/2012

The forecast for 2011 is that capital expenditures will amount to approximately SEK 1,700 - 1,800 million for the full year, compared with the previous forecast of SEK 1,250 million.

The higher pace of investment is attributable to the discoveries made in Denmark as a result of an expanded drilling campaign with additional activities as well as complications on Didon North. The earlier scheduling of activities on Aseng will also entail a higher level of capital expenditures at the end of the year compared with the original plan.

For the full year 2012, the pace of investment will decrease significantly, and the forecast is in the range of SEK 300-500 million.




## North Sea Region and Greenland

| | Concession/licence | Operator | Partners |
|---|---|---|---|
| | **United Kingdom** | | |
| 1 | P1342 | PA Resources (100%) | |
| 2 | Block 22/18c | PA Resources (33.34%) | Valiant Exploration Limited (33.33%), First Oil Expro Limited (33.33%) |
| | **Denmark** | | |
| 3 | Block 9/06 (Gita) | Maersk Olie og Gas (31.2%) | PA Resources (26.8%), Danish North Sea Fund (20%), Noreco (12%), Danoil (10%) |
| 4 | Block 9/95 (Maja) | Maersk Olie og Gas (31.2%) | PA Resources (26.8%), DONG (20%), Noreco (12%), Danoil (10%) |
| 5 | Block 12/06 | PA Resources (64%) | Danish North Sea Fund (20%), Spyker Energy (8%), Danoil (8%) |
| | **Netherlands** | | |
| 6 | Block Q7 | Smart Energy Solutions (30%) | Energie Beheer Nederland (40%), PA Resources (30%) |
| 7 | Block Q10a | Smart Energy Solutions (30%) | Energie Beheer Nederland (40%), PA Resources (30%) |
| 8 | Schagen | Smart Energy Solutions (30%) | Energie Beheer Nederland (40%), PA Resources (30%) |
| | **Germany** | | |
| 9 | B20008-73 | PA Resources (100%) | |
| | **Greenland** | | |
| 10 | Licence 2008/17 (Block 8) | PA Resources (87.5%) | NunaOil (12.5%) |

## North Africa Region

| | Concession/licence | Operator | Partners |
|---|---|---|---|
| | **Tunisia** | | |
| 1 | Douleb | PA Resources (70%)* | Serept (30%) |
| 2 | Semmama | PA Resources (70%)* | Serept (30%) |
| 3 | Tamesmida | PA Resources (95%)* | Serept (5%) |
| 4 | Ezzaouia | Maretap** | ETAP (55 %), Candax-Ecumed (31.4%), PA Resources (13.6%) |
| 5 | El Bibane | Candax-Ecumed (73.8%) | PA Resources (23.9%), Maghreb (2.3%) |
| 6 | Didon | PA Resources (100%) | |
| 7 | Jelma*** | PA Resources (70%) | Topic (30%) |
| 8 | Makthar*** | PA Resources (100%) | |
| 9 | Zarat*** | PA Resources (100%) | |
| 10 | Jenein Centre**** | Chinook Energy (65%) | PA Resources (35%) |

* Operatorship outsourced to Serept.

** Operatorship outsourced to Maretap, a joint venture owned 50% by ETAP and 50% by Candax-Ecumed. Maretap has no interest in the licence.

*** ETAP has the right to take a 50% interest in the Jelma licence and 55% in the Makthar and Zarat licences once discoveries have been made on the licence and a development plan has been submitted. Until such time, ownership is shared as shown above.

**** ETAP is the sole licence holder, but has signed a production-sharing agreement with PA Resources and Chinook Energy.

## West Africa Region

| | Concession/licence | Operator | Partners |
|---|---|---|---|
| | **Republic of Congo (Brazzaville)** | | |
| 1 | Azurite* | Murphy (50%) | PA Resources (35%), SNPC (15%) |
| 2 | Mer Profonde Sud* | Murphy (50%) | PA Resources (35%), SNPC (15%) |
| 3 | Marine XIV* | SOCO (29.4%) | Lundin Petroleum (21.55%), Raffia Oil (21.55%), SNPC (15%), PA Resources (12.5%) |
| | **Equatorial Guinea** | | |
| 4 | Aseng field** | Noble Energy (38%) | Atlas Petroleum (27.55%), Glencore (23.75%), PA Resources (5.7%), GEPetrol (5%) |
| 5 | Alen field*** | Noble Energy (44.65%) | GEPetrol (28.75%), Glencore (24.94%), Atlas Petroleum (1.38%), PA Resources (0.29%), |
| 6 | Block I** | Noble Energy (38%) | Atlas Petroleum (27.55%), Glencore Exploration (23.75%), PA Resources (5.7%), GEPetrol (5%) |
| 7 | Block H** | White Rose Energy (46.31%) | Atlas Petroleum (23.75), Roc Oil (19%), PA Resources (5.94%), GEPetrol (5%) |

* Participating interests are reported inclusive of the rights to participating interests of the state-owned company SNPC.

** Participating interests are reported from and including 2011 inclusive of the rights to participating interests of the state-owned company GEPetrol.

*** 95% of the Alen field is located in Block O and 5% in Block I. PA Resources has a 5.7% working interest in Block I, which provides 0.285% of the field in total.

## WEST AFRICA REGION

The region contains the producing Azurite field in the Republic of Congo (Brazzaville). The Group also owns interests in two exploration licences in the Republic of Congo and in two exploration licences offshore Equatorial Guinea, where production start at the Aseng field is approaching and the Alen field development is progressing.

- ***Production start at Aseng approaches***
  The development of the Aseng field in Block I continued to make excellent progress during the quarter. The Aseng FPSO vessel left Singapore in September and arrived on the field in Equatorial Guinea with testing completed in mid-October. Hook-up and commissioning are under way, and first production is expected in the fourth quarter.

- ***Alen development***
  The Alen field development in Block I in Equatorial Guinea is on budget and on schedule for first production scheduled in the fourth quarter of 2013. The wellhead jacket is being installed now and the production platform is 25% complete. The drilling rig Atwood Hunter is on location and drilling the gas injection wells. The Atwood Aurora jack-up rig will begin drilling the production wells later this year.

- ***Activities in Block H***
  At the end of September White Rose Energy announced that it had farmed in to the interests of Atlas Petroleum and Roc Oil as technical operator of Block H in Equatorial Guinea to drill the commitment exploration well. The current period for the production sharing contract has been extended to February 2013. Block H contains several prospects and leads, including the Aleta prospect, which is planned for drilling in 2012.

- ***Production on the Azurite field***
  Azurite field working interest production to PA Resources averaged 4,500 barrels per day during the third quarter. As previously announced, oil production levels and the field's anticipated reserves are below the levels anticipated in the field's plan of development. The operator conducted well testing in September. Data from these tests, together with data from the 2011 wells, will be incorporated into the ongoing revision of the field's production model.

- ***Exploration drilling on Marine XIV licence***
  Drilling of an exploration well on the Makouala prospect on the Marine XIV licence in the Republic of Congo is planned for the fourth quarter of 2011. The rig is currently being used by the operator Soco to drill on the adjacent Marine XI permit. As a result of a farmout by PA Resources in 2009, PA Resources' costs for this well are carried by the other licence partners.

- ***Evaluation of Mer Profonde Sud***
  Evaluation of the exploration potential of the licence is under way in order to identify potential tie-backs to the Azurite field. PA Resources' focus is on prospectivity at the Miocene level, which is productive in the Azurite field, and on the deeper Sendji reservoir level, which is a new target established by drilling on the licence last year. There are no plans to drill exploration or appraisal wells in the remainder of 2011.

## NORTH AFRICA REGION

PA Resources has been operating in Tunisia since 1998, with substantial oil production. The Group has interests in six producing fields, of which Didon is the largest, as well as in four exploration licences. PA Resources is the operator of seven of the licences.

- ***Production and maintenance of Didon***
  During the third quarter, the field continued to produce primarily from two of its wells, and production has been stable. Activities to reactivate additional wells were carried out during the quarter, which resulted in the field producing periodically from a third well in July and September. Measurements and actions are being carried out on a continuous basis in order to provide partial compensation for the field's natural decline.

- ***Didon North well unable to produce oil***
  Drilling of the Didon North production well began in May. The total depth of the horizontal part of the well was reached at the end of August. Despite good oil saturation in the reservoir, only small amounts of hydrocarbons have been recovered in recent flow tests. Several attempts to flow the well have been made using different techniques, and it has been decided to suspend the well. For more information, see press release published on 25 October.

- ***Unitisation and development of Zarat field***
  Discussions surrounding development planning and allocation of reserves were resumed during the quarter. The operator of the adjacent 7 November licence, with interests in Libya, has lifted the force majeure restriction, which was called into effect in June of this year. The joint work is focused on creating a dynamic reservoir model in order to be able to carry out the next phase of a study of development alternatives.

- ***Seismic analysis of Zarat licence***
  Updating of the seismic 3D model of the Elyssa field with the help of analysed 3D seismic data is under way. Parallel with this, processing of the 3D seismic data of the Zarat licence that was acquired in 2004 is nearing completion.

- ***Result of exploration drilling on Jelma***
After the end of the quarter, tests were completed of the Sidi M'barek and Jbil exploration wells in the Jelma licence, which were thereafter plugged and abandoned. No producible hydrocarbons were encountered when the wells were tested, despite positive indications during the drilling. Work continues on analysing the wells' results and the licence's potential. The licence has been extended until the end of the fourth quarter of 2012.

- ***Seismic survey of Makthar licence completed***
Processing and evaluation of the 2D seismic survey were completed during the quarter. Further evaluation is being conducted, and the results are expected to be ready during the fourth quarter.

- ***Political situation in Tunisia***
On 23 October an election was held for a Constituent Assembly in Tunisia, which will draw up a new constitution for the Republic and pave the way for a general election within one year. An interim parliament was also elected in the election, which will govern the country during the coming year. Voter turnout was high in a structured process. The final outcome is expected after publication of the report. The political situation in Tunisia affects all operations in the country, such as through union activity and social instability.

## NORTH SEA REGION AND GREENLAND

PA Resources conducts exploration activities in the UK, Denmark, the Netherlands, Germany and offshore western Greenland. PA Resources is the operator of five out of a total of 10 licences. No production comes from this region.

- ***Gas-condensate discovery on Broder Tuck***
The initial exploration well on the Broder Tuck prospect on licence 12/06 encountered approximately 17 metres of hydrocarbon net pay in the primary Middle Jurassic target during July. The well was sidetracked to a location approximately 680 metres from the initial well, where the Middle Jurassic sandstone again contained hydrocarbons, albeit less well developed than in the initial wellbore. A gross hydrocarbon column of at least 360 metres from the crest of the structure down to the base of the Middle Jurassic sandstone was established in this sidetrack.

  Ongoing sample analyses from the initial exploration well confirmed the discovered hydrocarbons to be a high quality gas with condensate of approximately 44 degrees API gravity at a ratio of approximately 80-90 barrels of condensate per million standard cubic feet of gas. After Broder Tuck was plugged and abandoned, the Ensco 70 rig moved to the Lille John prospect on licence 12/06.

  Future work will concentrate on quantifying the range of contingent resources and recoverable volumes and determining development options. Broder Tuck is located approximately 10 kilometres south of the Gorm field.

- ***Oil discovery on Lille John***
Drilling of Lille John, the programme's second prospect on the 12/06 licence, commenced in early September. The well is located approximately 8 kilometres from the discovery at Broder Tuck. In mid-October, after the reporting period, an oil discovery was made in the Miocene sandstone level.

  The well encountered approximately 5 metres of net hydrocarbon pay in an overall Miocene sandstone/shale interval of 25 metres high. Initial analyses of logs and samples confirm a sweet, light oil of 34-35 degrees API gravity with a gas/oil ratio of approximately 350 standard cubic feet of gas per barrel of oil and no water.

  The Lille John well was drilled for the primary and deeper Chalk level, and as a result the well was not optimally located at the Miocene level. The well is located just outside of the main part of the Miocene seismic anomaly and very close to the mapped limit of the sandstones. The well encountered modest reservoir development as expected at this location marginal to the seismic anomaly but has confirmed the anomaly to represent oil-bearing sandstone, with an apparent column height in excess of 300 metres.

  The Lille John well was unable to penetrate the main Chalk target due to extensive fracturing. As a result, the well is now being sidetracked to a revised location with the aim of trying again to penetrate the Chalk target and establish reservoir development and hydrocarbon content.

- ***Result of seismic analysis in Greenland***
Interpretation of the 2D seismic data acquired last year in Block 8 offshore western Greenland is now largely complete. An inventory of potentially sizeable (billion barrel scale), high risk prospects and leads has been identified. PA Resources will seek farmees prior to the drilling phase of the licence.

# FINANCIAL OVERVIEW

## QUARTER 3, 2011 (1 JULY–30 SEPTEMBER)

### Revenue, expenses and EBITDA

Group revenue for the third quarter amounted to SEK 493.7 million (530.0). Revenue decreased mainly as a result of lower production that was partly counteracted by a higher sales price. Revenue was negatively affected by currency movements related to the weaker US dollar.

Costs for raw materials and consumables including royalties decreased to SEK 163.2 million (200.9). Production costs decreased to SEK 108.3 million (129.7) mainly as a result of currency effects from the weaker US dollar. The royalty cost was SEK 54.9 million (71.1). The decrease is mainly attributable to lower production and currency movements that were partly counteracted by higher oil prices. The royalty percentages were unchanged.

EBITDA (earnings before interest, tax, depreciation and amortisation) was SEK 295.1 million (281.6).

### Depreciation, amortisation and operating profit

Depreciation and amortisation for the quarter amounted to SEK 193.9 million (187.2). Depreciation and amortisation per produced barrel increased in the West Africa region as a result of the revision of reserves on the Azurite field in the beginning of the year. Lower production from both the Azurite field and the North Africa region resulted in lower depreciation and amortisation compared with the third quarter a year ago. Depreciation and amortisation were positively affected by currency effects, compared with the corresponding quarter a year ago.

Operating profit was SEK 101.2 million (94.3), and the operating margin for the quarter was 20.5% (17.8%).

### Net financial items, tax and profit for the period

Net financial items for the Group amounted to SEK -84.9 million for the quarter (220.8). The difference is mainly attributable to the preceding year's currency translation and restatement effects pertaining to loans and financial instruments denominated primarily in US dollars, amounting to a net total of SEK -8.9 million (289.2). Profit before tax was SEK 16.4 million (315.1). Reported tax for the quarter was SEK -130.0 million (-176.0).

Paid tax during the quarter amounted to SEK 9.4 million (58.7).

Earnings per share before and after dilution were SEK -0.18 (0.22).

## NINE MONTHS 2011 (1 JANUARY–30 SEPTEMBER)

### Revenue, expenses and EBITDA

Group revenue during the period amounted to SEK 1,619.1 million (1,529.1). Revenue increased mainly as a result of a higher sales price that was partly counteracted by lower production and currency effects related to the weaker US dollar.

Costs for raw materials and consumables including royalties increased to SEK 525.7 million (547.6). Production costs amounted to SEK 323.8 million (361.2) and decreased mainly as a result of currency effects related to the weaker US dollar. The royalty cost was SEK 201.9 million (186.4). The increase is mainly attributable to higher oil prices countered by lower production and currency movements.

EBITDA (earnings before interest, tax, depreciation and amortisation) was SEK 989.4 million (838.0).

### Depreciation, amortisation and operating profit

Depreciation and amortisation for the period amounted to SEK 602.7 million (566.2). Depreciation and amortisation per barrel increased in the West Africa region during the period as a result of the revision of reserves in the Azurite field at the beginning of the year, which was partly counteracted by lower production in the North Africa region. Depreciation and amortisation were positively affected by currency movements compared with the corresponding period a year ago.

Operating profit was SEK 386.7 million (271.4), and the operating margin for the period was 23.9% (17.8%).

### Net financial items, tax and profit for the period

Net financial items for the Group amounted to SEK -239.7 million for the period (-183.6). The difference is mainly attributable to lower interest income together with slightly higher interest expenses amounting to a net total of SEK -183.2 million, net (-150.9).

Profit before tax was SEK 146.9 million (88.2). Reported tax for the period totalled SEK -376.3 million (-254.8).

Paid tax during the period totalled SEK 38.4 million (201.5).

Earnings per share before and after dilution were SEK -0.36 (-0.35).

### Financial position

Total interest-bearing liabilities including convertibles amounted to SEK 3,967.4 million (3,524.1) as per 30 September. Available lines of credit amounted to approximately SEK 2,100 million, of which approximately 50% was utilised. Cash and cash equivalents at the end of the period amounted to SEK 256.6 million (745.1).

During the period, the Group paid down a net total of SEK 445 million in debt, the next bond loan matures in October 2013.

Shareholders' equity amounted to SEK 5,138.5 million, compared with SEK 5,250.0 million at the start of the year.

The Group's debt/equity ratio was 72.2% (52.2%) at the end of the period. The net debt/equity ratio, assuming full conversion of outstanding convertibles to equity, was 47.8% at the end of the period (32.2%), compared with the Company's long-term target of a maximum level of 50%.

### Cash flow and capital expenditures

The Group's operating cash flow during the period was SEK 917.1 million (260.1).

Total capital expenditures during the period amounted to SEK 1,477.7 million (1,096.6). Capital expenditures for the full year are expected to amount to SEK 1,700.0 – 1,800 million, compared with the previous forecast of SEK 1,250 million. For an explanation, see the section *Capital expenditures 2011/2012* on page 3.

Capital expenditures in intangible non-current assets amounted to SEK 496.4 million (139.6) during the period and pertained to investments in the development of oil and gas assets. Of this, SEK 291.6 million (90.0) pertained to investments in the North Sea region – mainly drilling on the 12/06 licence in Denmark. In addition, SEK 204.8 million (49.5) pertained to investments in the West Africa region.

The Group's capital expenditures in property, plant and equipment during the period amounted to SEK 981.3 million (957.0), attributable to investments in producing oil and gas assets. Of this SEK 554.4 million (813.4) pertained to investments in the West Africa Region and SEK 426.9 million (143.4) to the North Africa region.

During the period a net total of SEK 444.7 million (161.8) in interest-bearing liabilities were amortised. Net cash flow, after financing and capital expenditures, amounted to SEK -1,005.3 million (643.1). The figure for the preceding year was positively affected by a rights issue totalling SEK 1,641.3 million.

**Parent company**

The parent company's revenue pertains mainly to intra-Group sales and amounted to SEK 4.7 million (10.3) during the quarter and SEK 17.4 million (17.6) for the period.

Net financial items amounted to SEK 345.6 million (-296.8) for the quarter and SEK 32.1 million (-290.5) for the period. Profit after tax was SEK 343.3 million for the quarter (-292.9) and SEK 29.0 million (-298.6) for the period. Intangible assets amounted to SEK 85.5 million at the end of the period (0). The increase is mainly attributable to intra-Group restructuring in connection with the liquidation of the wholly owned subsidiaries PA Resources Arctic ApS, PA Resources Greenland ApS and PA Resources Nuna ApS. Shareholders' equity amounted to SEK 3,879.9 million, compared with SEK 3,850.9 million at the start of the year.

## OTHER INFORMATION

**Risks and uncertainties**

PA Resources' financial, operational, business and social risks are described in the Company's 2010 Annual Report, published on 31 March 2011, in the section Risks and risk management.

Risks in the near term include possible disruptions in production at producing fields, especially in connection with drilling, maintenance and installations, and delays in development projects. Ongoing political unrest in North Africa, which is difficult to assess, could also have an impact on the Company’s operations.

**Conversion period for convertibles completed**

Between 1 September and 30 September, holders of PA Resources' convertible bonds could convert their convertibles to shares at a conversion price of SEK 8.52 per share.

The conversion period resulted in the registration of 1,050 new shares with the Swedish Companies Registration Office. In connection with this, the share capital increased by SEK 525 in October 2011 and amounted to SEK 318,738,446.50, divided among 637,476,893 shares. The total nominal loan amount for outstanding convertibles is SEK 984,172,158.

**Events after the end of the reporting period**

- ***Discovery of oil on Lille John in Denmark***

For more information, see the section *North Sea Region and Greenland.*

- ***Didon North well unable to produce oil***

For more information, see section *North Africa* and press release published on 25 October.

**Largest shareholders**

| As per 30 Sept 2011 | Number of shares | Capital/votes |
|---|---|---|
| Avanza Pension | 45,562,061 | 7.1% |
| Länsförsäkringar fondförvaltning AB | 36,375,996 | 5.7% |
| Nordnet Pensionförsäkring AB | 22,145,195 | 3.5% |
| Fourth Swedish National Pension Fund | 11,446,666 | 1.8% |
| Robur Försäkring | 10,416,138 | 1.6% |
| Skandinaviska Enskilda Banken S.A., NQI | 9,771,986 | 1.5% |
| JP Morgan Bank | 9,533,030 | 1.5% |
| VOB & T Holding AB | 7,010,000 | 1.1% |
| SIX SIS AG, W8IMY | 6,634,852 | 1.0% |
| CBNY-DFA-INT SML CAP V | 5,403,727 | 0.8% |
| **Total – 10 largest shareholders** | **164,299,651** | **25.8%** |
| Total – other shareholders | 473,176,192 | 74.2% |
| **Total number of shares** | **637,475,843** | **100%** |

This report has not been reviewed by the Company's auditors.

PA Resources AB (publ.)
Stockholm, 26 October 2011

*Bo Askvik*
President and CEO

Queries concerning this report can be sent to ir@paresources.se or directed to:

Nicolas Adlercreutz, CFO
Tel: +46 (0)8 21 83 82

# Group – condensed income statement

| SEK 000s | Notes | Q3 2011 | Q3 2010 | Jan-Sept 2011 | Jan-Sept 2010 | Jan.-Dec. 2010 |
|---|---|---|---|---|---|---|
| Revenue | 3, 5 | 493,720 | 529,954 | 1,619,091 | 1,529,070 | 2,226,732 |
| Cost of sales | 4 | -163,186 | -200,870 | -525,703 | -547,599 | -758,828 |
| Other external expenses | | -19,809 | -33,514 | -57,588 | -94,771 | -125,169 |
| Personnel expenses | | -15,620 | -14,006 | -46,450 | -48,733 | -67,059 |
| Depreciation, amortisation and impairment losses | 5 | -193,863 | -187,229 | -602,686 | -566,222 | -785,252 |
| **Operating profit** | 5 | **101,242** | **94,335** | **386,664** | **271,745** | **490,424** |
| Financial income | 6 | 6,075 | 301,725 | 43,599 | 171,881 | 182,890 |
| Financial expenses | 6 | -90,928 | -80,927 | -283,322 | -355,473 | -494,033 |
| **Total financial items** | | **-84,853** | **220,798** | **-239,723** | **-183,592** | **-311,143** |
| **Profit before tax** | 5 | **16,389** | **315,133** | **146,941** | **88,153** | **179,281** |
| Income tax | 7 | -129,957 | -175,963 | -376,278 | -254,809 | -495,668 |
| **Profit for the period** | | **-113,568** | **139,170** | **-229,337** | **-166,656** | **-316,387** |
| Profit for the period attributable to: | | | | | | |
| Owners of the parent | | -113,568 | 139,170 | -229,337 | -166,656 | -316,387 |
| **Earnings per share before dilution** | | **-0.18** | **0.22** | **-0.36** | **-0.35** | **-0.61** |
| **Earnings per share after dilution** | | **-0.18** | **0.22** | **-0.36** | **-0.35** | **-0.61** |

Earnings per share are attributable to owners of the parent.

# Group – condensed statement of comprehensive income

| SEK 000s | Notes | Q3 2011 | Q3 2010 | Jan-Sept. 2011 | Jan-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|---|---|---|
| **Profit for the period** | | **-113,568** | **139,170** | **-229,337** | **-166,656** | **-316,387** |
| | | | | | | |
| **Other comprehensive income** | | | | | | |
| Exchange differences during the period | | 624,445 | -885,695 | 118,147 | -785,170 | -712,429 |
| Exchange difference effect from liquidation | | -328 | 0 | -328 | 0 | 0 |
| Available-for-sale financial assets | | 0 | -284 | -22 | -1,263 | -1,065 |
| Income tax relating to available-for-sale financial assets | | 0 | 74 | 2 | 336 | 284 |
| **Total other comprehensive income** | | **624,117** | **-885,905** | **117,799** | **-786,097** | **-713,210** |
| | | | | | | |
| **Total comprehensive income** | | **510,549** | **-746,735** | **-111,538** | **-952,753** | **-1,029,597** |
| | | | | | | |
| **Total comprehensive income attributable to:** | | | | | | |
| Owners of the parent | | 510,549 | -746,735 | -111,538 | -952,753 | -1,029,597 |

# Group – condensed statement of financial position

| SEK 000s | Notes | 30 Sept. 2011 | 30 Sept. 2010 | 31 Dec. 2010 |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Intangible assets | | 2,236,670 | 1,620,853 | 1,728,771 |
| Property, plant and equipment | | 7,716,971 | 7,045,165 | 7,221,384 |
| Financial assets | | 1,474 | 1,953 | 2,185 |
| **Total non-current assets** | | **9,955,115** | **8,667,971** | **8,952,340** |
| | | | | |
| Inventory | | 5,403 | 4,859 | 5,034 |
| Derivative financial instruments | 8 | 0 | 465 | 0 |
| Accounts receivable and other receivables | | 782,301 | 690,796 | 677,117 |
| Current tax assets | 7 | 3,989 | 4,034 | 3,168 |
| Cash and cash equivalents | | 256,611 | 745,072 | 1,260,393 |
| **Total current assets** | | **1,048,304** | **1,445,226** | **1,945,712** |
| | | | | |
| **TOTAL ASSETS** | | **11,003,419** | **10,113,197** | **10,898,052** |
| | | | | |
| **EQUITY** | | | | |
| **Equity attributable to owners of the parent** | | | | |
| Share capital | | 318,738 | 318,738 | 318,738 |
| Other capital contributions | 9 | 3,764,144 | 3,764,137 | 3,764,137 |
| Reserves | | -837,112 | -1,027,798 | -954,911 |
| Retained earnings and profit for the period | | 1,892,689 | 2,271,757 | 2,122,026 |
| **Total equity** | | **5,138,459** | **5,326,834** | **5,249,990** |
| | | | | |
| **LIABILITIES** | | | | |
| Interest-bearing loans and borrowings | 9 | 3,335,825 | 2,130,143 | 2,767,310 |
| Deferred tax liabilities | 7 | 425,281 | 461,188 | 409,031 |
| Provisions | 10 | 463,155 | 344,416 | 429,884 |
| **Total non-current liabilities** | | **4,224,261** | **2,935,747** | **3,606,225** |
| | | | | |
| Current tax liabilities | | 209,168 | 108,023 | 70,746 |
| Derivative financial instruments | 8 | 0 | 12,437 | 9,523 |
| Current interest-bearing loans and borrowings | | 631,521 | 1,393,993 | 1,627,695 |
| Accounts payable and other liabilities | | 800,010 | 336,163 | 333,873 |
| **Total current liabilities** | | **1,640,699** | **1,850,616** | **2,041,837** |
| | | | | |
| **TOTAL EQUITY AND LIABILITIES** | | **11,003,419** | **10,113,197** | **10,898,052** |
| | | | | |
| **PLEDGED ASSETS** | 12 | **820,658** | **2,130,909** | **2,179,630** |
| **CONTINGENT LIABILITIES** | 12 | **14,000** | **14,000** | **14,000** |

# Group – condensed statement of changes in equity

| | | Equity attributable to owners of the parent | | | | |
|---|---|---|---|---|---|---|
| SEK 000s | Notes | Share capital | Other capital contribution | Reserves | Retained earnings and profit/loss for the period | Total |
| Balance at 1 January 2010 | | 83,877 | 2,357,593 | -241,701 | 2,438,055 | 4,637,824 |
| Total comprehensive income | | | | -786,097 | -166,656 | -952,753 |
| | | | | | | |
| **Transactions with shareholders** | | | | | | |
| New share issue | | 234,856 | 1,526,561 | | | 1,761,417 |
| Issue expenses | | | -120,087 | | | -120,087 |
| Redemption convertible shares registered | 9 | | 2 | | | 2 |
| Redemption convertible shares unregistered | 9 | 5 | 68 | | | 73 |
| Share based payments | | | | | 358 | 358 |
| **Closing balance at 30 Sept. 2010** | | **318,738** | **3,764,137** | **-1,027,798** | **2,271,757** | **5,326,834** |
| | | | | | | |
| Balance at 1 October 2010 | | 318,738 | 3,764,137 | -1,027,798 | 2,271,757 | 5,326,834 |
| Total comprehensive income | | | | 72,887 | -149,731 | -76,844 |
| | | | | | | |
| **Closing balance at 31 December 2010** | | **318,738** | **3,764,137** | **-954,911** | **2,122,026** | **5,249,990** |
| | | | | | | |
| Balance at 1 January 2011 | | 318,738 | 3,764,137 | -954,911 | 2,122,026 | 5,249,990 |
| Total comprehensive income | | | | 117,799 | -229,337 | -111,538 |
| | | | | | | |
| **Transactions with shareholders** | | | | | | |
| Redemption convertible shares unregistered | 9 | | 7 | | | 7 |
| **Closing balance at 30 Sept. 2011** | | **318,738** | **3,764,144** | **-837,112** | **1,892,689** | **5,138,459** |

The number of shares outstanding after conversions in 2011 is 637,476,893. No dividend was decided on for the 2010 financial year or previous financial years. Reserves pertain to effects from translation of operations in foreign currency.

# Group – condensed statement of cash flows

| SEK 000s | Jan.-Sept. 2011 | Jan.-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|
| **Cash flow from operating activities** | | | |
| Income after financial items | 146,941 | 88,153 | 179,281 |
| Adjustments for non-cash items | 450,506 | 233,072 | 348,359 |
| Income tax paid | -38,431 | -201,537 | -229,639 |
| **Total cash flow from operating activities** | | | |
| **before changes in working capital** | **559,016** | **119,688** | **298,001** |
| | | | |
| **Cash flow from changes in working capital** | | | |
| Increase (-)/decrease (+) in inventory | -308 | -4,856 | -6,392 |
| Increase (-)/decrease (+) in receivables | 52,440 | -168,809 | -168,613 |
| Increase (+)/decrease (-) in liabilities | 305,950 | 314,081 | 293,218 |
| **Cash flow from operating activities *** | **917,098** | **260,104** | **416,214** |
| | | | |
| **Cash flow from investing activities** | | | |
| Investments in intangible assets | -496,435 | -139,551 | -273,189 |
| Investments in property, plant and equipment | -981,294 | -957,001 | -1,312,150 |
| **Cash flow from investing activities** | **-1,477,729** | **-1,096,552** | **-1,585,339** |
| | | | |
| **Cash flow from financing activities** | | | |
| New share issue | 0 | 1,641,330 | 1,641,330 |
| Loans raised | 1,872,225 | 1,257,932 | 2,272,818 |
| Amortisation of debt | -2,316,888 | -1,419,730 | -1,593,182 |
| **Cash flow from financing activities** | **-444,663** | **1,479,532** | **2,320,966** |
| | | | |
| **Cash flow for the period** | **-1,005,294** | **643,084** | **1,151,841** |
| Cash and cash equivalents at the beginning of period | 1,260,393 | 123,874 | 123,874 |
| Exchange rate difference in cash and cash equivalents | 1,512 | -21,886 | -15,322 |
| **Cash and cash equivalents at end of period** | **256,611** | **745,072** | **1,260,393** |
| | | | |
| **Adjustments for non-cash items** | | | |
| Depreciation, amortisation and impairment losses | 602,686 | 566,222 | 785,252 |
| Accounting fair value of financial instruments | -9,523 | 10,055 | 8,271 |
| Oil sales attributable to Net Entitlement Method (net) | 0 | -2,236 | 33,153 |
| Valuation Oil Sales ** | -349,618 | 0 | 0 |
| Other items including exchange gains and losses (net) | 206,961 | -340,969 | -478,317 |
| **Total** | **450,506** | **233,072** | **348,359** |

* Starting in 2011, PA Resources reports changes in working capital excluding exchange rate movements, which were previously reported in the items *Other items including accrued interest and exchange gains and losses and Working capital*.

** Starting in 2011, PA Resources reports the effects from fair valuation of inventory and reported differences between Working Interest and Net Entitlement in the item *Valuation oil sales*.

# Parent company – condensed income statement

| SEK 000s | Notes | Q3 2011 | Q3 2010 | Jan-Sept. 2011 | Jan-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|---|---|---|
| | | | | | | |
| Net sales | | 4,716 | 10,339 | 17,434 | 17,618 | 26,677 |
| | | | | | | |
| Other external expenses | 11 | -4,246 | -5,776 | -13,877 | -16,823 | -23,932 |
| Personnel expenses | | -5,799 | -3,147 | -15,431 | -16,197 | -23,883 |
| Depreciation, amortisation and impairment losses | | -20 | -44 | -114 | -146 | -193 |
| **Operating profit/loss** | | **-5,349** | **1,372** | **-11,988** | **-15,548** | **-21,331** |
| | | | | | | |
| Financial income and similar | 6, 8 | 450,256 | 152,622 | 381,610 | 341,995 | 427,612 |
| Financial expenses and similar | 6, 8 | -104,691 | -449,444 | -349,485 | -632,476 | -707,092 |
| **Total financial items** | | **345,565** | **-296,822** | **32,125** | **-290,481** | **-279,480** |
| | | | | | | |
| **Profit/loss before tax** | | **340,216** | **-295,450** | **20,137** | **-306,029** | **-300,811** |
| | | | | | | |
| Income tax | 7 | 3,096 | 2,579 | 8,875 | 7,386 | 10,082 |
| | | | | | | |
| **Result for the period** | | **343,312** | **-292,871** | **29,012** | **-298,643** | **-290,729** |

# Parent company – condensed balance sheet

| SEK 000s | Notes | 30 Sept. 2011 | 30 Sept. 2010 | 31 Dec. 2010 |
|---|---|---|---|---|
| ASSETS | | | | |
| Intangible assets | | 85,510 | 0 | 0 |
| Tangible non-current assets | | 132 | 293 | 246 |
| Financial assets | | 9,662,060 | 7,818,857 | 8,349,455 |
| **Total non-current assets** | | **9,747,702** | **7,819,150** | **8,349,701** |
| | | | | |
| Current tax assets | | 1,788 | 1,788 | 984 |
| Derivative financial instruments | 8 | 0 | 465 | 0 |
| Other receivables | | 1,562 | 4,536 | 2,044 |
| Prepaid expenses and accrued income | | 12,062 | 8,858 | 9,404 |
| Cash and cash equivalents | | 66,241 | 526,882 | 1,081,247 |
| **Total current assets** | | **81,653** | **542,529** | **1,093,679** |
| | | | | |
| **TOTAL ASSETS** | | **9,829,355** | **8,361,679** | **9,443,380** |
| | | | | |
| **SHAREHOLDERS' EQUITY** | | | | |
| *Restricted equity* | | | | |
| Share capital | | 318,738 | 318,738 | 318,738 |
| Statutory reserve | | 985,063 | 985,063 | 985,063 |
| Revaluation reserve | | 0 | -126 | 20 |
| *Total restricted equity* | | 1,303,801 | 1,303,675 | 1,303,821 |
| *Non-restricted equity* | | | | |
| Share premium reserve | 9 | 2,748,716 | 2,748,709 | 2,748,709 |
| Profit/loss brought forward and profit/loss for the period | | -172,574 | -209,499 | -201,586 |
| *Total non-restricted equity* | | 2,576,142 | 2,539,210 | 2,547,123 |
| **Total shareholders' equity** | | **3,879,943** | **3,842,885** | **3,850,944** |
| | | | | |
| **LIABILITIES** | | | | |
| Liabilities Group companies | | 2,694,731 | 2,297,889 | 2,610,248 |
| Interest-bearing loans and borrowings | 9 | 2,692,742 | 802,840 | 1,650,448 |
| Deferred tax liability | | 36,122 | 47,643 | 44,999 |
| **Total non-current liabilities** | | **5,423,595** | **3,148,372** | **4,305,695** |
| | | | | |
| Accounts payable | | 2,495 | 1,361 | 1,046 |
| Other liabilities | | 556 | 756 | 506 |
| Derivative financial instruments | 8 | 0 | 11,772 | 9,523 |
| Current interest-bearing loans and liabilities | | 274,300 | 1,244,057 | 1,150,602 |
| Accrued expenses and prepaid income | | 248,466 | 112,476 | 125,064 |
| **Total current liabilities** | | **525,817** | **1,370,422** | **1,286,741** |
| | | | | |
| **TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES** | | **9,829,355** | **8,361,679** | **9,443,380** |
| | | | | |
| **PLEDGED ASSETS** | 12 | **772,840** | **2,125,681** | **2,123,060** |
| **CONTINGENT LIABILITIES** | 12 | **14,000** | **14,000** | **14,000** |

# Key ratios

## FIVE-YEAR OVERVIEW

| | | 30 Sept. 2011 | 30 Sept. 2010 | 31 Dec. 2010 | 31 Dec. 2009 | 31 Dec. 2008 | 31 Dec. 2007 | 31 Dec. 2006 |
|---|---|---|---|---|---|---|---|---|
| Revenue | SEK 000s | 1,619,091 | 1,529,070 | 2,226,732 | 2,112,841 | 2,419,863 | 2,793,831 | 856,675 |
| EBITDA | SEK 000s | 989,350 | 837,967 | 1,275,676 | 1,325,877 | 1,771,823 | 2,073,729 | 471,296 |
| Operating profit | SEK 000s | 386,664 | 271,745 | 490,424 | 429,601 | 1,395,749 | 1,833,485 | 359,267 |
| Operating profit per share after dilution** | SEK | 0.61 | 0.56 | 0.94 | 1.35 | 4.64 | 6.08 | 1.26 |
| Operating margin | % | 24% | 18% | 22% | 20% | 58% | 66% | 42% |
| Income after financial items per share after dilution** | SEK | 0.23 | 0.18 | 0.34 | 1.00 | 2.74 | 5.96 | 1.04 |
| Earnings per share after dilution** | SEK | -0.36 | -0.35 | -0.61 | 0.04 | 3.08 | 3.14 | 0.81 |
| Return on equity | % | neg | neg | neg | 0.3% | 23.9% | 33.6% | 12.8% |
| Return on assets | % | 6.1% | 4.2% | 5.1% | 5.0% | 16.4% | 32.3% | 9.9% |
| Return on capital employed | % | 7.1% | 5.0% | 5.9% | 6.3% | 19.6% | 41.3% | 12.2% |
| Equity per share before dilution** | SEK | 8.06 | 8.36 | 8.24 | 13.41 | 15.86 | 11.12 | 7.72 |
| Equity per share after dilution** | SEK | 8.06 | 8.36 | 8.24 | 13.41 | 15.80 | 10.79 | 7.52 |
| Profit margin | % | 9.1% | 5.8% | 8.1% | 15.0% | 34.0% | 64.3% | 34.7% |
| Equity/assets ratio | % | 46.7% | 52.7% | 48.2% | 44.6% | 45.5% | 49.5% | 46.9% |
| Debt/equity ratio | % | 72.2% | 52.2% | 59.7% | 80.4% | 74.8% | 64.6% | 54.5% |
| Debt/equity ratio, full conversion | % | 47.8% | 32.2% | 38.3% | 54.6% | n/a | n/a | n/a |
| Share price at end of period* | SEK | 1.96 | 4.99 | 7.50 | 11.93 | 5.58 | 24.74 | 35.05 |
| Share price/Equity per share before dilution* | Times | 0.24 | 0.60 | 0.91 | 0.89 | 0.35 | 2.23 | 4.54 |
| P/E margin per share* | Times | -5.45 | -14.45 | -12.36 | 295.22 | 1.81 | 7.81 | 43.20 |
| Number of shares outstanding before dilution** | Number | 637,476,893 | 637,475,843 | 637,475,843 | 345,814,769 | 299,968,388 | 298,937,668 | 298,937,668 |
| Number of shares outstanding after dilution** | Number | 637,476,893 | 637,475,843 | 637,475,843 | 345,814,769 | 300,999,108 | 308,059,540 | 307,080,356 |
| Average number of shares outstanding before dilution** | Number | 637,475,843 | 482,569,973 | 521,614,740 | 318,998,246 | 299,427,260 | 298,937,668 | 284,116,480 |
| Average number of shares outstanding after dilution** | Number | 637,475,843 | 482,569,973 | 521,614,740 | 318,998,246 | 300,921,829 | 301,700,581 | 285,309,480 |

## QUATERLY OVERVIEW

| | | Q3 2011 | Q2 2011 | Q1 2011 | Q4 2010 | Q3 2010 | Q2 2010 | Q1 2010 | Q2 2009 |
|---|---|---|---|---|---|---|---|---|---|
| Revenue | SEK 000s | 493,720 | 542,189 | 583,182 | 697,662 | 529,954 | 588,903 | 410,213 | 653,917 |
| Operating profit | SEK 000s | 101,242 | 145,528 | 139,894 | 218,679 | 94,335 | 163,046 | 14,364 | 79,137 |
| Operating margin | % | 20.5% | 26.8% | 24.0% | 31.3% | 17.8% | 27.7% | 3.5% | 12.1% |
| Earnings per share after dilution** | SEK | -0.18 | -0.26 | 0.08 | -0.23 | 0.22 | -0.46 | -0.27 | -0.06 |
| Return on equity | % | neg | neg | 4.0% | neg | 9.8% | neg | neg | neg |
| Return on assets | % | 4.1% | 6.2% | 5.7% | 8.5% | 4.0% | 6.6% | 1.2% | 4.8% |
| Return on capital employed | % | 4.9% | 7.2% | 6.5% | 9.7% | 4.5% | 7.7% | 1.5% | 5.8% |
| Equity per share before dilution** | SEK | 8.06 | 7.26 | 7.50 | 8.24 | 8.36 | 9.53 | 12.65 | 13.41 |
| Equity per share after dilution** | SEK | 8.06 | 7.26 | 7.50 | 8.24 | 8.36 | 9.53 | 12.65 | 13.41 |
| Profit margin | % | 3.3% | -2.4% | 24.6% | 13.1% | 59.5% | -23.5% | -21.6% | 15.3% |
| Equity/assets ratio | % | 46.7% | 46.7% | 50.7% | 48.2% | 52.7% | 53.0% | 45.2% | 45.8% |
| Debt/equity ratio | % | 72.2% | 76.6% | 67.7% | 59.7% | 52.2% | 41.0% | 85.2% | 80.4% |

* In connection with the completed rights issue in May/June 2010, the share price at the end of the period has been adjusted retrospectively, which has affected Share price/Equity per share before dilution and the P/E multiple per share.

** The number of shares outstanding includes only shares that give rise to a dilutive effect. In calculating the potential dilutive effect for convertibles, this would have resulted in a positive effect on earnings per share. The applicable accounting policies (IAS 33) do not allow inclusion of a positive effect. Outstanding convertibles are also excluded in calculations of the dilutive effect on shareholders' equity per share. The completed rights issue in May/June 2010 gave rise to a bonus issue element in the number of shares outstanding. According to the applicable accounting policies (IAS 33), a retrospective adjustment of the number of shares outstanding is to be done. Such retrospective adjustment has led to changed key ratio measurements for operating profit per share, profit after net financial items per share, profit after tax per share, shareholders' equity per share, the share price through shareholders' equity per share, and the P/E multiple per share as per above.

## NOTES TO THE FINANCIAL STATEMENTS

**Note 1. Company information**

PA Resources AB (publ.), corporate identity no. 556488-2180, registered in Stockholm, Sweden, has been listed on the NASDAQ OMX Nordic Exchange in Stockholm (Mid Cap segment) since 2006. On 31 January 2011, PA Resources' shares and convertibles were delisted from the Oslo Stock Exchange, at which time the shares obtained a primary listing on NASDAQ OMX Nordic Exchange in Stockholm. The Company's and its subsidiaries' operations are described in the sections *PA Resources in brief* and *Operational overview*.

**Note 2. Accounting policies**

The interim report for the period ended 30 September 2011 has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The consolidated financial statements for the period January – September 2011 have, like the full year 2010, been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) and the Swedish Annual Accounts Act. The parent company's accounts have been prepared in accordance with Annual Accounts Act and guideline RFR 2, Accounting for Legal Entities, issued by the Swedish Financial Reporting Board (RFR).

The same accounting policies have been applied for the period as those applied for the 2010 financial year and as described in the 2010 Annual Report. The interim report does not contain all the information and disclosures provided in the annual report; the interim report should therefore be read in the same context as the 2010 Annual Report.

**Note 3. Revenue**

Total outstanding oil inventory in number of barrels is carried at fair value as per the balance sheet date and is reported as if the inventory had been sold. In addition, PA Resources' entire working interest is reported within revenue. The accounting policies that generate non-cash effects are adjusted for cash flow.

**Note 4. Raw materials and consumables**

| SEK 000s | Q3 2011 | Q3 2010 | Jan-Sept. 2011 | Jan-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|---|---|
| Operation and production costs | -108,305 | -129,743 | -323,835 | -361,225 | -490,079 |
| Royalties | -54,881 | -71,127 | -201,868 | -186,374 | -268,749 |
| **Total cost of sales** | **-163,186** | **-200,870** | **-525,703** | **-547,599** | **-758,828** |

The parent company has no costs for raw materials and consumables.

**Note 5. Segment reporting**

The Group is organised in and is managed according to geographical regions that correspond to the operating segments for which information is given and is followed up internally at the operational level. Operating segments per geographical region include all reporting local entities within each respective region, except for working interests in PA Resources AB, which are reported in the North Sea segment. During the third quarter of 2011, in connection with an intra-Group restructuring, the working interests were sold to the parent company from the companies that were liquidated during the quarter: PA Resources Arctic ApS, PA Resources Greenland ApS and PA Resources Nuna ApS.

The same accounting policies and calculation methods have been used in the reporting of operating segments in this interim report as in the 2010 Annual Report.

Following is a compilation of operating segments per geographical region and the local reporting entities that are included within the respective reportable operating segments:

**North Africa:** Hydrocarbures Tunisie Corp, Hydrocarbures Tunisie El Bibane Ltd, PA Resources Tunisia
**West Africa:** PA Energy Congo Ltd, PA Resources Congo SA, Osborne Resources Ltd
**North Sea:** PA Resources UK Ltd, PA Resources Denmark ApS
**Other:** PA Resources AB, Microdrill AB

The reportable operating segments are accounted for according to the same accounting policies as for the Group. The reportable operating segments' revenue, expenses, assets and liabilities include items directly attributable to and items that can be allocated to a specific operating segment in a reasonable and reliable way.

Externally reported revenue for all operating segments except for "Other" pertains to sales of oil and services related to exploration and production of oil and gas. Internally reported revenue for all operating segments pertains to further invoiced expenses related to services provided for geology, seismology and exploration. Market conditions in accordance with arm's length are applied for transactions between operating segments.

Group management (the CODM) follows up the profit or loss measure "profit before tax". With respect to financial income and expenses, the currency effects of these are reported gross in the tables below and net in the income statement.

| | Interim period January-Sept. 2011 | | | | | |
|---|---|---|---|---|---|---|
| **SEK 000s** | **North Africa** | **West Africa** | **North Sea** | **Other** | **Group & eliminations** | **Total** |
| **Income statement** | | | | | | |
| Revenue, external | 651,072 | 963,438 | 4,552 | 29 | | **1,619,091** |
| Revenue, internal | - | - | - | 17,405 | -17,405 | **0** |
| Depreciation, amortisation and impairment losses | -311,708 | -289,343 | -1,521 | -114 | | **-602,686** |
| **Operating profit/loss** | **123,017** | **278,640** | **-3,004** | **-11,989** | **0** | **386,664** |
| Financial income | 71,579 | 4,488 | 28,978 | 1,538,256 | -1,511,515 | **131,786** |
| Financial expenses | -62,052 | -153,096 | -60,172 | -1,506,131 | 1,409,942 | **-371,509** |
| **Profit/loss before tax** | **132,544** | **130,032** | **-34,198** | **20,136** | **-101,573** | **146,941** |
| Income tax revenues | | | | | | **19,217** |
| Income tax expenses | | | | | | **-395,495** |
| **Profit for the period** | | | | | | **-229,337** |

| | Interim period January-Sept. 2010 | | | | | |
|---|---|---|---|---|---|---|
| **SEK 000s** | **North Africa** | **West Africa** | **North Sea** | **Other** | **Group & eliminations** | **Total** |
| **Income statement** | | | | | | |
| Revenue, external | 786,453 | 734,090 | 8,175 | 352 | | **1,529,070** |
| Revenue, internal | - | - | - | 17,266 | -17,266 | **0** |
| Depreciation, amortisation and impairment losses | -446,051 | -119,552 | -473 | -146 | - | **-566,222** |
| **Operating profit/loss** | **59,524** | **235,054** | **-7,284** | **1,717** | **-17,266** | **271,745** |
| Financial income | 372,776 | 24,570 | 3,624 | 1,268,776 | -1,244,029 | **425,717** |
| Financial expenses | -342,424 | -130,969 | -37,184 | -1,559,257 | 1,460,525 | **-609,309** |
| **Profit/loss before tax** | **89,877** | **128,654** | **-40,844** | **-306,030** | **216,496** | **88,153** |
| Income tax revenues | | | | | | **89,257** |
| Income tax expenses | | | | | | **-344,066** |
| **Profit/loss for the period** | | | | | | **-166,656** |

| | 30 Sept. 2011 | | | | | |
|---|---|---|---|---|---|---|
| **SEK 000s** | **North Africa** | **West Africa** | **North Sea** | **Other** | **Group & eliminations** | **Total** |
| **Balance sheet** | | | | | | |
| **Assets** | | | | | | |
| Non-current assets | 5,924,828 | 6,259,188 | 625,101 | 7,530,841 | -10,384,843 | **9,955,115** |
| Current assets, external | 303,005 | 613,253 | 50,328 | 81,718 | | **1,048,304** |
| **Liabilities** | | | | | | |
| Non-current liabilities | 1,553,712 | 6,911,720 | 720,077 | 5,423,595 | -10,384,843 | **4,224,261** |
| Current liabilities, external | 698,184 | 315,261 | 101,437 | 525,817 | | **1,640,699** |
| | | | | | | |
| Investments in property, plant and equipment (gross amounts) | 426,871 | 554,392 | 31 | - | | **981,294** |
| Investments in intangible assets (gross amounts) | - | 204,825 | 291,610 | - | | **496,435** |

| | 30 Sept. 2010 | | | | | |
|---|---|---|---|---|---|---|
| **SEK 000s** | **North Africa** | **West Africa** | **North Sea** | **Other** | **Group & eliminations** | **Total** |
| **Balance sheet** | | | | | | |
| **Assets** | | | | | | |
| Non-current assets | 5,870,202 | 5,001,933 | 400,186 | 5,601,763 | -8,206,113 | **8,667,971** |
| Current assets, external | 296,678 | 578,718 | 27,233 | 542,597 | | **1,445,226** |
| **Liabilities** | | | | | | |
| Non-current liabilities | 1,850,549 | 5,653,652 | 489,287 | 3,148,372 | -8,206,113 | **2,935,747** |
| Current liabilities, external | 400,192 | 57,040 | 14,294 | 1,379,090 | | **1,850,616** |
| | | | | | | |
| Investments in property, plant and equipment (gross amounts) | 143,440 | 813,361 | 146 | 54 | | **957,001** |
| Investments in intangible assets (gross amounts) | - | 49,522 | 90,029 | - | | **139,551** |

Assets that are included in the statements refer to all assets. The column "Group & eliminations" includes, in addition to elimination of Group transactions between the operating segments, reclassification of exchange differences pertaining to operations.

The Group's customers consist of a small number of major international oil and trading companies. Information on external revenue pertaining to the region where the operating segments are registered and outside the region is shown below. The table also shows revenue from individual external customers, where the revenue amounts to 10% or more compared with total external revenue for the Group.

| | Interim period January-Sept. 2011 | | | | |
|---|---|---|---|---|---|
| **SEK 000s** | **North Africa** | **West Africa** | **North Sea** | **Other** | **Total Group** |
| Revenues from external customers within the region | 224,002 | 963,438 | 4,552 | 29 | 1,192,021 |
| Revenues from external customers outside the region | 427,070 | - | - | - | 427,070 |
| **Total revenues, external** | 651,072 | 963,438 | 4,552 | 29 | **1,619,091** |
| | | | | | |
| Revenues from external customers exceeding 10% of total Group revenue | | | | | |
| **Customer 1** | 224,002 | - | - | - | **224,002** |
| **Customer 2** | - | 963,438 | - | - | **963,438** |
| | | | | | |
| % share of revenue from external customers exceeding 10% of total Group revenue: | | | | | |
| **Customer 1** | 14% | - | - | - | **14%** |
| **Customer 2** | - | 60% | | | **60%** |

Customer 1 refers to Tunisia. Customer 2 refers to the Republic of Congo.

## Note 6. Financial income and expenses during the period

Exchange gains and losses are reported net in the income statement for the Group and parent company.

| SEK 000s | Jan-Sept. 2011 | Jan-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|
| Interest income | 15,524 | 40,945 | 46,067 |
| Exchange gains | 0 | 33,207 | 33,437 |
| Other financial items | 28,075 | 97,729 | 103,386 |
| **Total financial income (net)** | **43,599** | **171,881** | **182,890** |

| SEK 000s | Jan-Sept. 2011 | Jan-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|
| Interest expense | -198,763 | -191,812 | -299,797 |
| Exchange losses | -1,019 | 0 | 0 |
| Other financial items | -83,540 | -163,661 | -194,236 |
| **Total financial expenses (net)** | **-283,322** | **-355,473** | **-494,033** |

| Exchange gains/losses are broken down as follows: | | | |
|---|---|---|---|
| Exchange gains arising from bank equivalents (gross) | 20,135 | 24,013 | 49,560 |
| Exchange gains arising from borrowings (gross) | 68,052 | 263,030 | 262,816 |
| Exchange losses arising from bank equivalents (gross) | -17,555 | -49,317 | -67,968 |
| Exchange losses arising from borrowings (gross) | -71,651 | -204,519 | -210,971 |
| **Total exchange gains (+) / losses (-) (net)** | **-1,019** | **33,207** | **33,437** |

| Parent company - SEK 000s | Jan-Sept. 2011 | Jan-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|
| Interest income | 255,621 | 244,266 | 324,226 |
| Exchange gains | 97,914 | 0 | 0 |
| Other financial items | 28,075 | 97,729 | 103,386 |
| **Total financial income (net)** | **381,610** | **341,995** | **427,612** |

| SEK 000s | Jan-Sept. 2011 | Jan-Sept. 2010 | Jan.-Dec. 2010 |
|---|---|---|---|
| Interest expense | -303,133 | -296,184 | -380,274 |
| Exchange losses | 0 | -200,990 | -174,537 |
| Other financial items | -46,352 | -135,302 | -152,281 |
| **Total financial expenses (net)** | **-349,485** | **-632,476** | **-707,092** |

| Exchange gains/losses are broken down as follows: | | | |
|---|---|---|---|
| Exchange gains arising from bank equivalents (gross) | 16,319 | 10,394 | 24,800 |
| Exchange gains arising from borrowings (gross) | 1,238,241 | 916,387 | 1,231,943 |
| Exchange losses arising from bank equivalents (gross) | -16,771 | -32,532 | -40,637 |
| Exchange losses arising from borrowings (gross) | -1,139,875 | -1,095,239 | -1,390,643 |
| **Total exchange gains (+) / losses (-) (net)** | **97,914** | **-200,990** | **-174,537** |

### Note 7. Income tax

Reported tax pertains to income tax charges and deferred tax attributable to interests in oilfields in Tunisia and Tax Oil (the difference between the “Working Interest share” and “Net Entitlement”) in the Republic of Congo. The reported tax leads to a higher effective tax charge than what the underlying tax rates generate in tax charge. The underlying tax rates are unchanged, and the high effective tax charge is attributable to, among other things, unbooked tax loss-carryforwards in the parent company and other Group companies. The parent company's accounts include only a deferred tax asset attributable to deferred tax on convertible bonds.

### Note 8. Reporting of financial instruments

PA Resources' oil and gas assets are valued in USD and generate revenue in USD. The Group conducts various hedging activities on the interest-bearing liability to match the corresponding foreign exchange risk associated with the assets. Through this, the Group has entered into currency and interest rate swap agreements to match the currency exposure in the Group's listed bond issues. A combination of the bond issues with the currency and interest rate swap agreements provides risk exposure that corresponds to USD-denominated loans. In cases where the Group has currency and interest rate swap agreements, these are carried at fair value, which results in unrealised net gains/losses.

### Note 9. Convertible bond

The parent company issued, after final settlement on 14 January 2009, a total of 72,757,002 convertibles, corresponding to a nominal amount of SEK 1,164.1 million. The convertibles carry interest at an annual nominal rate of 11% from 15 January 2009. Interest is paid to holders on 15 January each year, starting on 15 January 2010 and the last time on 15 January 2014. The convertibles fall due for payment of the nominal amount on 15 January 2014 unless conversion or repayment has occurred prior to this date. Conversion to shares may be done during the period 1 – 30 September of each year. The convertible bond is defined as a Compound Financial Instrument, which entails a split classification between financial liability and equity. PA Resources has calculated the present value of the convertibles' future cash flows as per the issue date, which has led to an initial allocation between equity and non-current liabilities of SEK 209.1 million and SEK 880.2 million, respectively, after deducting transaction costs. The conversion price for PA Resources outstanding convertible bonds has been recalculated from SEK 16 to SEK 8.52 per share due to the rights issue that was completed in June 2010.

In September 2011, 559 convertibles were converted to shares. A total of 11,246,242 convertibles, corresponding to a nominal amount of SEK 179.9 million, have been converted to shares, which has increased shareholders' equity by SEK 140.1 million, of which the share capital by SEK 5.6 million. This has also reduced the nominal loan amount by SEK 179.9 million.

### Note 10. Provisions

***Asset Retirement Obligation (ARO):***

For parts of oilfields where the Group has an obligation to contribute to asset retirement costs for environmental restoration, dismantling, cleaning and similar actions around the drilling areas both onshore and offshore, a provision corresponding to future calculated obligations is recorded. An obligation arises either at the time an oilfield is acquired or when the Group starts to utilise these, and an asset is recorded as part of the Group's total oil and gas assets.

The Asset Retirement Obligation is accounted for as a provision based on the present value of costs that are judged to be required to fulfil the obligation, using the estimated cash flows. The discount rate used takes into account the time value of money and the risk specifically associated with the liability, assessed by the market. The Group's estimated provision amounted to SEK 422.2 million as per 30 September 2011. PA Resources uses the Full Cost Method, which entails that the corresponding amount for the provision is capitalised as an asset and amortised. Total assets pertaining to Asset Retirement Obligation costs amounted to SEK 161.2 million as per 30 September 2011. Future changes in provisions due to the time value of money are accounted for as a financial expense, and estimated changes are capitalised or reversed against the corresponding assets.

### Note 11. Related party transactions

No remuneration other than customary directors' fees that have been approved by the Annual General Meeting have been paid out.

### Note 12. Pledged assets and contingent liabilities

As per 30 September 2011, total pledged assets amounted to SEK 820.7 million for the Group and SEK 772.8 million for the parent company. Total contingent liabilities amounted to SEK 14.0 million for both the Group and the parent company. Compared with 30 June 2011, total pledged assets increased by SEK 51.5 million, net, for the Group and by SEK 61.8 million, net, for the parent company, mainly as a result of adjustments for currency movements. Total contingent liabilities for the Group and parent company were unchanged compared with 30 June 2011. Total pledged assets and contingent liabilities for the Group and parent company as per 30 September 2011 compared with 30 September 2010 and 31 December 2010 are shown in the table below.

| | Group | | | Parent company | | |
|---|---|---|---|---|---|---|
| **Pledged assets - SEK 000s** | **30 Sept. 2011** | **30 Sept. 2010** | **31 Dec. 2010** | **30 Sept. 2011** | **30 Sept. 2010** | **31 Dec. 2010** |
| *Pledged assets are broken down as follows:* | | | | | | |
| Security in the form of shares in oilfields in the Republic of Congo | 730,324 | 912,931 | 898,610 | - | - | - |
| Guarantee commitment for Group loan obligations | - | - | - | 730,324 | 912,931 | 898,610 |
| Security in the form of shares in oilfields in Tunisia | 42,517 | 1,212,750 | 1,224,450 | - | - | - |
| Security in the form of pledged shares in Didon Tunisia Pty Ltd | - | - | - | 42,517 | 1,212,750 | 1,224,450 |
| Oil inventory attributable to payment of royalties in kind | 18,131 | 5,228 | 17,115 | - | - | - |
| Cash deposit currency exchange | 29,686 | - | 39,455 | - | - | - |
| **Total pledged assets** | **820,658** | **2,130,909** | **2,179,630** | **772,840** | **2,125,681** | **2,123,060** |

| | Group | | | Parent company | | |
|---|---|---|---|---|---|---|
| **Contingent liabilities - SEK 000s** | **30 Sept. 2011** | **30 Sept. 2010** | **31 Dec. 2010** | **30 Sept. 2011** | **30 Sept. 2010** | **31 Dec. 2010** |
| *Contingent liabilities are broken down as follows:* | | | | | | |
| Contingent liabilities attributable to the acquisition of PA Energy Congo Ltd | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 | 14,000 |
| **Total contingent liabilities** | **14,000** | **14,000** | **14,000** | **14,000** | **14,000** | **14,000** |

# Definitions

## FINANCIAL DEFINITIONS

- **EBITDA** is defined as operating profit plus total depreciation and amortisation including impairment.
- **Operating profit** is defined as operating revenue less operating expenses.
- **Operating margin** is defined as operating profit after depreciation and amortisation as a percentage of total revenue.
- **Earnings per share after dilution** is defined as net profit after income tax in relation to the average number of shares after dilution.
- **Return on equity** is defined as net profit after tax as a percentage of average adjusted equity.
- **Return on assets** is defined as operating profit plus adjusted financial revenue as a percentage of average total assets.
- **Return on capital employed** is defined as operating profit plus adjusted financial revenue as a percentage of average capital employed (total assets minus non interest-bearing liabilities including deferred tax liabilities).
- **Shareholders' equity per share** before and after dilution is defined as the Group's reported equity in relation to the number of shares outstanding before or after dilution.
- **Profit margin** is defined as profit after net financial items as a percentage of total revenue.
- **Equity/assets ratio** is defined as the Group's reported equity as a percentage of total assets.
- **Debt/equity ratio** is defined as the Group's interest-bearing liabilities minus cash and cash equivalents in relation to adjusted equity. Share price/equity per share before dilution is defined as the share price at the end of the period in relation to equity per share before dilution.
- **Earnings per share** is defined as the share price at the end of the period in relation to net profit after income tax divided by the average number of shares outstanding before dilution.

## INDUSTRY TERMS

- **Barrels of oil equivalents:** Unit of volume used for petroleum products. An indication used when oil, gas and NGL are to be summarised. Abbreviated BOE in English.
- **FPSO-vessel:** Floating, Production, Storage and Offloading vessel used in an oilfield.
- **FDPSO-vessel:** Floating, Drilling, Production, Storage and Offloading vessel used in an oilfield. Used on the Azurite field in Congo.
- **Injection well:** A well where gas or water is injected to give pressure support in a reservoir. By injecting gas, water or both into a reservoir, the degree of recovery can be increased by maintaining pressure and thereby forcing hydrocarbons into the production well.
- **Licence:** A licence is a permit granted to an oil company from the government of a country to look for and produce oil and gas. Oil and natural gas assets are usually owned by the country in which the oil or natural gas is discovered. The oil companies obtain permission from the respective country's government to explore for and extract oil and natural gas. These permits are also called concessions, permits, or production-sharing agreements, depending on the country in question. A licence usually consists of two parts: an exploration permit and a production licence.
- **Net Entitlement Share:** The proportion of revenue, production or reserves that accrue to the oil company after deduction for royalties and taxes.
- **Operator:** A company that, under commission by one or more companies in partnership, has obtained the right to manage the operations on an oil and gas licence.
- **Production well:** A well used to extract petroleum from a reservoir.
- **Seismic data:** Seismic studies are conducted to describe geological structures in bedrock. At sea, sound signals are transmitted from the ocean surface, and the echoes are captured. Such studies can be used to locate the presence of hydrocarbons, among other things.
- **Working Interest (WI):** The proportion of revenue, production or reserves that accrue to the oil company before taxes, royalties and other curtailment.

# Currency rates

| | Closing day rate 30 Sept. 2011 | Average rate Jan.- Sept. 2011 | Closing day rate 30 Sept. 2010 | Average rate Jan.- Sept. 2010 | Closing day rate 31 Dec. 2010 | Average rate Jan.- Dec. 2010 |
|---|---|---|---|---|---|---|
| 1 EUR in SEK | 9.27 | 9.01 | 9.16 | 9.65 | 9.00 | 9.54 |
| 1 USD in SEK | 6.86 | 6.41 | 6.74 | 7.35 | 6.80 | 7.20 |
| 1 TND in SEK | 4.75 | 4.58 | 4.79 | 5.17 | 4.75 | 5.09 |
| 1 NOK in SEK | 1.17 | 1.15 | 1.15 | 1.21 | 1.15 | 1.19 |
| 1 GBP in SEK | 10.67 | 10.35 | 10.68 | 11.30 | 10.55 | 11.13 |
| 1 DKK in SEK | 1.25 | 1.21 | 1.23 | 1.30 | 1.21 | 1.28 |

Find more information on
www.paresources.se

## PA Resources at a glance

- An international oil and gas company with operations and assets in eight countries
- A total of 27 oil and gas licences, of which seven are in production, two are under development and 18 are in the exploration phase
- Operator of 12 licences; part-owner and partner in the other licences
- 46.0 million barrels 1P and 72.5 million barrels 2P in oil reserves
- Oil production in West and North Africa
- 135 employees in Tunisia, Sweden, the UK and the Republic of Congo
- PA Resources is domiciled and has its head office in Stockholm
- The share (PAR) is listed on NASDAQ OMX Stockholm (Mid Cap), where the Company's convertible bond (PAR KV1) is also listed

## FUTURE REPORTING DATES

| | |
|---|---|
| Year-end Report (January - December) | 15 February 2012 |
| Annual Report 2011 (pdf) | 30 March 2012 |
| Interim Report Q1 (January - March) | 25 April 2012 |
| Interim Report Q2 (January – June) | 15 August 2012 |
| Interim Report Q3 (January - September) | 24 October 2012 |
| Year-end Report 2012 (January - December) | 6 February 2013 |

Until further notice, PA Resources will be publishing monthly production reports in order to provide current information on the actual production.

## WEBCAST CONFERENCE CALL

PA Resources' results for the third quarter of 2011 will be presented on 26 October at 10 a.m. (CET) via a webcast conference call. To participate, use the link at www.paresources.se or call:

Sweden: +46 (0)8 505 598 53
UK: +44 (0)203 043 24 36
USA: +1 866 458 40 87

An on-demand webcast is also available after the presentation.

## DISCLOSURE

The information in this interim report is such that PA Resources AB is required to disclose pursuant to the Securities Market Act and Financial Instruments Trading Act. Submitted for publication at 8:15 a.m. (CET) on 26 October 2011.

## FINANCIAL INFORMATION

All financial information is published on www.paresources.se directly after release. To make it easier for you to stay up to date, subscribe to our press releases and financial reports via e-mail or RSS.

This is a translation of the Swedish Interim Report. In the event of any differences between this translation and the Swedish original, the Swedish version shall govern.

PA RESOURCES

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