

PRESSRELEASE



For immediate release:

BW Offshore Limited share purchase in Prosafe SE and new share issue in BW Offshore Limited

(Bermuda, March 23, 2007) BW Offshore Limited has today exercised its option to acquire 39,675,905 shares in Prosafe SE at NOK 86. BW Offshore Limited has also acquired another 4,000,000 shares in Prosafe SE at NOK 86 per share. Following these two transactions BW Offshore Limited holds a total Prosafe SE shareholding of 55,932,990 shares, constituting 24.33% of the shares and votes in Prosafe SE. The share purchases will be funded by a new share issue of BW Offshore Limited shares at NOK 26.02 per share.

BW Offshore Limited (BW Offshore) today announces that the company has exercised its option to acquire 39,675,905 shares in Prosafe SE (Prosafe) from BW Euroholdings Limited at NOK 86 per share. BW Offshore has simultaneously acquired another 4,000,000 shares in Prosafe SE at NOK 86 per share. This means that BW Offshore in sum has acquired 43,675,905 shares today, bringing the company's total Prosafe shareholding to 55,932,990 shares, constituting 24.33% of the shares and votes in Prosafe.

The acquisitions will be funded by issuing up to 172,943,889 new shares in BW Offshore Limited at a price per share of NOK 26.02. The new share issue is fully underwritten by BW Limited. Carnegie and Pareto have been mandated in connection with the new share issue. The book is expected to close today at the discretion of the company.

Svein Moxnes Harfjeld comments: "The option agreement includes a change of control provision which means that the option expires if BW group's shareholding in BW Offshore falls below 50 %. Upon a successful closing of our announced voluntary offer for APL Plc, this is a probable outcome. The independent Directors of our Board have therefore decided that it is prudent to exercise the option now and make sure BW Offshore retains control over this large block of Prosafe shares. We continue to believe in the benefits of consolidation, but emphasize that we will only execute transactions that create value for our shareholders."

For further information, please contact:

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