Production in two regions

Summary third quarter

- Total revenue for the Group amounted to SEK 696.5 million, compared with SEK 680.4 million in the same period a year ago.
- Production was started during the quarter at the Azurite field in the Republic of Congo, and the Group's total production amounted to 1,244,600 barrels, compared with 819,900 barrels during the second quarter of 2009.
- Profit before tax for the period was SEK 114.9 million (224.5). Earnings per share before dilution amounted to SEK 0.16 (0.40), and earnings per share after dilution were SEK 0.16 (0.40).
- Total capital expenditures amounted to SEK 26.1 million, compared with SEK 1,048.1 million during the same period a year ago. The lower rate of investment is due to the fact that most of the investments ahead of the production start at the Azurite field have been completed.
- The debt/equity ratio has fallen to 69.9% (104.5) and was at the same time lower than at the start of the year after expenditures of SEK 1,736 million during the period January–September.
- Approximately 15% of the convertible bonds were converted to shares in September, which entailed that the original debt amount totalling SEK 1164 million decreased by nominal SEK 179.8 million. The equity/assets ratio improved to 48.0% (39.7).
- Oil discovery has been confirmed at the Mer Profond Sud licence offshore the Republic of Congo, and the development of the Aseng field in Equatorial Guinea has been initiated.

Financial key ratios

	Q3 2009	Q3 2008	Jan. - Sept. 2009	Jan. - Sept. 2008	Full Year 2008
Revenue (SEK million)	696.5	680.4	1,458.9	2,046.5	2,419.9
EBITDA* (SEK million)	499.0	556.3	967.5	1,567.4	1,771.8
EBITDA margin (%)	71.6	81.8	66.3	76.6	73.2
Operating profit (SEK million)	247.3	455.0	350.5	1,305.7	1,395.7
Operating margin (%)	35.5	66.9	24.0	63.7	58.0
Profit before tax (SEK million)	114.9	224.5	217.6	1,019.8	823.1
Earnings per share after dilution (SEK)	0.16	0.40	0.23	3.69	6.34

*Earnings before interest, tax, depreciation and amortisation.

“ During the third quarter we delivered higher production and at the same time achieved better diversification of production in two geographic regions. This, combined with a lower rate of investment and a higher and more stable oil price, entails that the conditions for the rest of the year and 2010 have improved.

Ulrik Jansson
President and CEO

CEO's comments

Our goal for 2009 is increased production. The Azurite field in the Republic of Congo came on stream in mid-August and entails that PA Resources now has production in two regions. The production figures for the third quarter show that the Azurite field is already making a significant contribution, which is increasing in pace with the drilling and operation of additional wells. In early 2010 the field will reach its maximum production capacity of 40,000 barrels per day, of which PA Resources' share is 14,000 barrels gross.

PA Resources' goal is to achieve greater long-term production supply. Development of Block I in Equatorial Guinea has been initiated, where the Aseng oil field is the first development project. In the Republic of Congo, a new oil discovery was made at the Turquoise prospect at the Mer Profond Sud licence. During the quarter, oil was confirmed via an appraisal well, and evaluation of the prospect's promising potential continues.

The price of oil remained stable also during the third quarter, between USD 60 and 70 per barrel. Analysts believe that demand for oil will be rising both this year and next year, which is earlier than originally estimated and can be credited to a faster economic recovery.

Our rate of investment is considerably lower than in previous quarters as well as in the corresponding period in 2008. This, combined with a higher oil price and increasing production, makes PA Resources well positioned for the final quarter of 2009 and next year.

Ulrik Jansson, President and CEO, PA Resources AB

Operational review

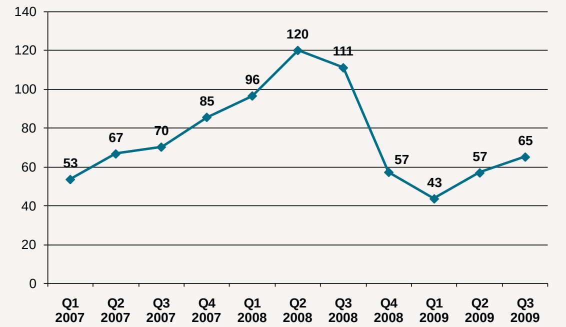
PA Resources AB's business concept is to acquire, develop, exploit and divest oil and gas assets and to conduct exploration to find new reserves. The Group has operations in Tunisia, the Republic of Congo, Equatorial Guinea, the UK, Denmark, the Netherlands and Greenland.

Production and sales

Comparison figures for 2008 are exclusive of the divested Norwegian operations.

Third quarter 2009 (1 July–30 September)
Production was started at the Azurite field in the Republic of Congo in mid-August. In addition, production is taking place at six oil fields in Tunisia. Total oil production during the third quarter was 1,244,600 barrels (1,072,700). Average production was 13,500 barrels per day (11,700). At the end of the period, daily production was in excess of 15,000 barrels per day.

PA Resources' average sales price (USD/barrel) per quarter, 2007-2009



A total of 730,600 barrels (751,100) of oil were sold during the quarter at an average price of USD 65 per barrel (111). All sales consisted of oil produced in Tunisia. No sales were made in the Republic of Congo during the quarter.

Total outstanding oil inventory as per the balance sheet date is measured at fair value and accounted for as if the inventory had been sold in accordance with the Net Entitlement Method. For further information, see Note 3, *Revenues*. Oil inventory, excluding the part paid as royalties, increased during the third quarter by 306,005 barrels and amounted to 502,123 barrels at the end of the quarter. Sales and thus inventories vary from quarter to quarter since the point in time for so-called liftings depends on when the inventory was filled and customers collect the agreed-upon volume.

Nine-month period 2009 (1 January–30 September)
Total oil production for the first nine months was 2,847,500 barrels (3,026,400) of oil. Average production was 10,400 barrels per day (11,000). A total of 2,186,000 barrels (2,730,300) of oil were sold at an average price of USD 55 (109) per barrel.

Production forecast

Our previously communicated forecast is that average production is expected to amount to between 11,000 and 14,000 barrels of oil per day in 2009. The final outcome is expected to be between 11,000 and 12,000 barrels per day.

Drilling programme 2009–2011

The following drillings are planned through 2011 at PA Resources' licences. The drilling programme is revised continuously based on the investment budget and prioritised commitments.

Licence	Prospect	Time	Well/Number
Tunisia			
Jenein Centre		Q1, 2010	Exploration/1
Jelma		Q3, 2010	Exploration/1
Zarat	Elyssa	Q2, 2010	Appraisal/1
Republic of Congo			
Azurite		2009/10	Prod/Injec/9
MPS	Turquoise/ Cobalt	2010	Appraisal/2 Exploration/1
Marine XIV		2010	Exploration/1
Equatorial Guinea			
Block I	Aseng/ Belinda	2010/2011	Prod/Injec/10
Block I	Regina /Sofia	2010	Exploration/2
Block H	Aleta	2010	Exploration/1
Denmark			
Block 11/06	Marianne	2010/11	Exploration/1
Block 12/06	Lisbet	2011	Exploration/1

North Africa Region Tunisia

PA Resources has conducted operations in Tunisia since 1998 and is one of the country's largest oil producers. The Group has interests in six production licences and four exploration licences.

Licence	Licence status	Interest PAR
Douleb	Production Onshore	70%
Semmama	Production Onshore	70%
Tamesmida	Production Onshore	95%
Ezzaouia	Production Onshore	13.6%
El Bibane	Production Offshore	23.9%
Didon	Production Offshore	100%
Jelma	Exploration Onshore	70%**
Jenein Centre	Exploration Onshore	35%
Makthar	Exploration Onshore	100%**
Zarat	Exploration Offshore	100%**

*** ETAP has the right to back in to 50% in the Jelma licence as well as 55% in Makthar and Zarat.*

Important events during the quarter

Production and maintenance at the Didon field
During the period, the producing wells at the Didon field maintained a satisfactory level of production. A new helicopter deck was installed on the platform as well as additional hydrocyclones, which improve the capacity to clean the volume of water that is pumped up along with the oil.

Preparations ahead of drilling at the Jelma licence
At the Jelma licence a 2D seismic study was acquired during the quarter. This new data will be processed and evaluated along with previously acquired data before any selection is made of prospects for the drilling that is planned for the third quarter of 2010.

Seismic studies at Douleb & Semmama
At the Douleb field, a 3D study has been carried out, and analyses and updates of maps are under way. At the Semmama field, a 2D seismic study has been concluded, and the evaluation has been started. A new development plan will be drafted based on the results of these seismic studies.

Planned activities

Continued capacity improvements at the Didon field
Additional installations of measurement equipment, hydrocyclones and other technical equipment will take place on the storage vessel during the fourth quarter. These installations, together with the remote-controlled platform, will reduce the field's operating costs.

Seismic study at the Makthar licence
During the second quarter of 2009 the Makthar licence was renewed for another three years, entailing an undertaking to collect 100 kilometres of 2D seismic data and to drill an exploration well. The seismic study has been brought forward to 2010.

West Africa Region Republic of Congo (Brazzaville) and Equatorial Guinea

PA Resources owns interests in three licences offshore the Republic of Congo (Brazzaville), of which one of the licences, the Azurite field, in now in production. PA Resources also owns interests in two licences in the Gulf of Guinea offshore Equatorial Guinea, where the development of the Aseng field in Block I has been started.

Licence	Licence status	Interest PAR
Republic of Congo		
Azurite	Production Offshore	35%
Mer Profond Sud	Exploration Offshore	35%
Marine XIV	Exploration Offshore	12.5%
Equatorial Guinea		
Block I	Development Offshore	6%
Block H	Exploration Offshore	6.25%

Important events during the period

Production at the Azurite field in the Republic of Congo
The Azurite field offshore the Republic of Congo has been in production since mid-August. The production level of the first producing well has been higher than anticipated.

Production will increase gradually as additional wells are drilled and come on stream toward the end of the year and during the coming year. The field's maximum production capacity is estimated at 40,000 barrels per day, of which PA Resources' share is 14,000 barrels per day gross. This volume is expected to be reached early in 2010.

Evaluation of oil discovery at MPS, Republic of Congo
In mid-July oil was discovered at the Turquoise Marine prospect at the Mer Profond Sud licence offshore the Republic of Congo. The well was drilled at 1,610 metres underwater at a total depth of 3,675 metres and encountered in excess of 41 metres of net oil pay. The Turquoise Marine discovery is located approximately 28 kilometres from the Azurite field.

During the third quarter the Turquoise Marine-2 appraisal well was drilled with the Pride South Pacific rig, and oil was confirmed, but not of a sufficient commercial volume. The operator Murphy and PA Resources will continue to evaluate the results and integrate these with the overall analysis of the Turquoise area. The current plan is to drill an additional two appraisal wells at the Turquoise area as well as an exploration well at the Cobalt structure (west of Turquoise) in 2010. The development scenarios are being evaluated based on the existing infrastructure at the Azurite field.

Development of the Aseng field at Block I, Eq. Guinea
The Plan of Development for the Aseng field (formerly Benita) was sanctioned at the end of July by the authorities in Equatorial Guinea. Production will take place utilising an FPSO vessel, which in addition to its use at the Aseng field, will also be used for production of hydrocarbons at the entire Block I.

The vessel has a process capacity of 120,000 barrels of liquid per day, including 80,000 barrels of oil and an injection capacity of up to 150,000 barrels of water per day.

The vessel can handle 170 million standard cubic feet of gas per day. The first oil from the Aseng field is expected in mid-2012.

The next development project according to plan is the Belinda field, which will be tied to the Aseng FPSO.

Planned activities

Additional production wells at the Azurite field, Rep. Congo
Drilling and the start of operations of the second well at the Azurite field, which is a water injector, are in progress. The plan is that the third well will also be a water injector and that the fourth well will be the second production well at the field. A total of nine wells are planned at the field.

Exploration drilling at Marine XIV, Republic of Congo
The partner group is waiting for results from the second pre-salt drilling at the near-lying Marine XI licence. At present an exploration well is planned for drilling at the Marine XIV licence (at no cost to PA Resources), and depending on the results, an additional well may come into consideration.

Exploration drilling in Block I, Equatorial Guinea
The plan is to drill an additional two exploration wells in Block I in 2010. The objective is to reach the deeper and proven oil-bearing Miocene structure that was encountered in the previously drilled Diega well.

North Sea Region UK, Denmark, Netherlands and Greenland

PA Resources owns interests in 13 exploration licences, of which five are located on the British continental shelf, four are offshore the Danish coast, three are in the Netherlands, and one is offshore western Greenland. The Group is the operator of all the licences except for the licences in the Netherlands and for Block 9/06 and Block 9/95 in Denmark.

Licence	Licence status	Interest PAR
United Kingdom		
P1342	Exploration Offshore	50%
P1318	Exploration Offshore	50%
P1319	Exploration Offshore	50%
P1336	Exploration Offshore	50%
P1529	Exploration Offshore	32%
Denmark		
Block 11/06	Exploration Offshore	64%
Block 12/06	Exploration Offshore	64%
Block 9/06	Exploration Offshore	26.8%
Block 9/95	Exploration Offshore	26.8%
Netherlands		
Block Q7	Exploration Offshore	30%
Block Q10a	Exploration Offshore	30%
Schagen	Exploration Onshore	50%
Greenland		
Block 2008/17	Exploration Offshore	87.5%

Important events during the quarter

Farmout of shares in Licence P1529, UK
PA Resources UK has signed an agreement on the farmout of a 48% interest in Licence P1529 to Venture North Sea Gas Limited. The licence covers Block 43/9, 43/10 and 44/6 in the brittish part of the southern North Sea. Venture has also acquired a 12% working interest from the licence partner, Spyker Energy SAS, entailing that PA Resources will retain 32% in the licence and Spyker 8%.

Under the terms of the farmout agreement, Venture will pay 100% of the costs of a 3D seismic survey covering 250 square kilometres. After the survey is fully completed, PA Resources will transfer the operatorship to Venture. The transaction is subject to approval of the Secretary of State for Energy and Climate Change in the UK.

PA Resources UK achieves environmental certification
PA Resources UK Limited has achieved certification according to ISO 14001:2004 (E), the international standard for environmental management. The certification is a demonstration that PA Resources UK Limited has an environmental management system that meets the requirements of the standard. During the certification process, the independent accreditation bureau URS Ltd performed a thorough audit of the company's environmental management system as applied to both office-based activities and exploration operations at the company's oil and gas licences.

3D survey at Licence P1529, UK
In late September a 3D seismic study was started of parts of Licence P1519 (Blocks 43/9, 43/10, 44/6). PA Resources is the operator for the shooting of the seismic that was completed in mid-October 2009.

New licence awarded in the Netherlands
In early July PA Resources was awarded an onshore exploration licence in the Netherlands, called Schagen. PA Resources holds a 50% interest in the licence. The partner and operator for the licence is Smart Energy Solutions B.V. (SES). Schagen is an onshore exploration licence that extends into Dutch territorial water and covers a total area of 355.5 square kilometres. The licence has a four-year duration and took effect in June 2009. The licence is covered by an existing 3D seismic survey and involves an undertaking to drill one exploration well.

Planned activities

Evaluation of seismic data in the UK
In the UK, processing of 3D data that was acquired last year for Licences P1318, P1319 and P1336 is nearing completion. A decision on a continued work programme will be made during the fourth quarter of 2009.

Financial position and performance Group

Third quarter 2009 (1 July–30 September)

Comparison figures for 2008 are exclusive of the divested Norwegian operation.

Group revenue amounted to SEK 696.5 million, compared with SEK 680.4 million for the same period in 2008. Of the Group's revenue, SEK 167.7 million is attributable to the fair valuation of oil inventory accounted for as if the inventory had been sold as per the balance sheet date (Net Entitlement Method), and SEK 175.9 million to other items. Group revenue derived from oil and gas sales were down compared with the same period a year ago. This is mainly due to a 41% lower oil price, which was partly compensated by higher production. The Group's production during the third quarter, totalling 1,244,600 barrels, was an increase from 819,900 barrels during the second quarter of the year and is attributable to the start of production at the Azurite field.

Cost of sales amounted to SEK -137.5 million (-90.2), of which SEK -74.1 million (-55.5) consisted of royalties. The higher royalty cost is explained by a higher royalty share in the Republic of Congo approximately 15% compared with Tunisia, at approximately 8%.

EBITDA (earnings before interest, tax, depreciation and amortisation) amounted to SEK 499.0 million (556.3).

Operating profit was SEK 247.3 million (455.0), and the operating margin for the period was 36% (67). The decrease is attributable to a lower oil price and a higher level of depreciation and amortisation per produced barrel of oil, based on completed investments and revised reserves.

Net financial items for the Group during the third quarter amounted to SEK -132.4 million (-230.6). Net financial items were affected by non-cash translation effects on outstanding receivables in USD, which now exceed outstanding liabilities in USD.

Profit before tax was SEK 114.9 million, compared with SEK 224.5 million for the same period in 2008.

Reported income tax for the quarter was SEK -90.2 million (-166.8).

Earnings per share before dilution were SEK 0.16 (0.40), and earnings per share after dilution were SEK 0.16 (0.40).

Investments during the quarter

Investments in intangible assets and in property, plant and equipment during the third quarter amounted to SEK 26.1 million (1,048.1). The level of expenditures during the third quarter was considerably lower than in the same quarter a year ago and also compared with preceding quarters in 2009. This is because most of the investment programme ahead of the start of production at the Azurite field has now been completed. The main investment activity during the remainder of 2009 consists of continued drilling and completion of the production and injection wells at the Azurite field.

Nine-month period 2009 (1 January–30 September)

Comparison figures for 2008 are exclusive of the divested Norwegian operation.

Group revenue amounted to SEK 1,458.9 million, compared with SEK 2,046.5 million for the same period in 2008. Of the Group's revenue, SEK 222.5 million is attributable to the fair valuation of oil inventory accounted for as if the inventory had been sold as per the balance sheet date (Net Entitlement Method), and SEK 289.6 million to other items. The SEK 587.6 million decrease in revenue is attributable to a halving in the price of oil.

Cost of sales amounted to SEK -322.6 million (-335.7), of which SEK -134.5 million (-196.1) consisted of royalties.

EBITDA (earnings before interest, tax, depreciation and amortisation) amounted to SEK 967.5 million (1,567.4).

Operating profit was SEK 350.5 million (1,305.7), and the operating margin for the period was 24% (64).

Net financial items for the Group during the period amounted to SEK -132.9 million (-285.9).

Profit before tax was SEK 217.6 million, compared with SEK 1,019.8 million for the same period in 2008.

Reported income tax for the period was SEK -182.7 million (-491.7).

Earnings per share before dilution were SEK 0.23 (3.71), and earnings per share after dilution were SEK 0.23 (3.69).

Return on equity was 0.8% (14.7). Return on capital employed was 6.4% (19.2).

Investments during the nine-month period

Investments in intangible assets amounted to SEK 803.2 million (916.4) during the first nine months of the year and pertained to investments in oil and gas assets. Of this total, SEK 685.5 million (528.5) consisted of investments in the West Africa segment.

The Group's investments in property, plant and equipment during the first nine months of the year amounted to SEK 932.5 million (2,129.5) and pertained to investments in oil and gas assets. Of this total, SEK 474.1 million (821.8) consisted of investments in the West Africa segment.

A reclassification has been made of previously completed investments pertaining to allocations between intangible assets and property, plant and equipment, which reduced the latter by SEK 471.7 million.

Liquidity and financing

The Group's operating cash flow during the first nine months of the year amounted to SEK 216.1 million (1,147.4). Net cash flow, after financing and investments, was SEK 96.1 million (-109.5).

Cash and cash equivalents amounted to SEK 104.7 million at the end of the period (168.8). Available credit lines amounted to approximately SEK 1,365 million, of which approximately 75% is utilised. Payment of SEK 999.0 million from the divestment of the Norwegian operation is included in cash flow from investing activities. Payment of SEK 1,089.3 million from the convertible bond issue and payment of SEK 282.8 million from the completed new issue are included in cash flow from financing activities.

Total interest-bearing liabilities including convertible bonds decreased as per the balance sheet date to SEK 3,439.6 million (4,358.6).

Shareholders' equity on the balance sheet date amounted to SEK 4,774.2 million (4,009.8), corresponding to an equity/assets ratio of 48.0% (39.7). The Group's debt/equity ratio improved as per the balance sheet date to 69.9% (104.5).

Financial position and performance Parent company

Third quarter 2009 (1 July–30 September)

The parent company's net sales pertains primarily to intra-Group sales and amounted to SEK 5.4 million (5.1) during the period.

Net financial items during the third quarter amounted to SEK -69.0 million (-33.3). Net financial items were affected by non-cash translation effects on outstanding receivables in USD, which exceed outstanding liabilities in USD.

Profit before tax was SEK -79.0 million (-30.9).

Nine-month period 2009 (1 January–30 September)

The parent company's net sales during the period amounted to SEK 15.2 million (9.0). Net financial items amounted to SEK -72.1 million (-76.9). Profit before tax was SEK -112.5 million (-100.0).

Cash and cash equivalents amounted to SEK 49.8 million (60.3) as per the balance sheet date, and shareholders' equity amounted to SEK 2,584.1 million (1,803.2). The increase in these balance sheet items is attributable to the convertible bond that was issued in January and to the new issue that was carried out in June.

Key ratios – five-year overview

		30 Sept. 2009	30 Sept. 2008	31 Dec. 2008	31 Dec. 2007	31 Dec. 2006	31 Dec. 2005
Revenue	SEK 000s	1,458,924	2,046,544	2,419,863	2,793,831	856,675	395,319
EBITDA	SEK 000s	967,523	1,567,405	1,771,823	2,073,729	471,296	248,866
Operating profit	SEK 000s	350,464	1,305,745	1,395,749	1,833,485	359,267	239,094
Operating profit per share after dilution	SEK	2.33	8.95	9.56	12.53	2.60	2.14
Operating margin	%	24	64	58	66	42	60
Income after financial items per share after dilution	SEK	1.45	6.99	5.64	12.28	2.15	1.90
Earnings per share after dilution	SEK	0.23	3.69	6.34	6.47	1.67	1.05
Return on equity	%	0.8	14.7	22.9	33.6	12.8	15.0
Return on assets	%	5.3	16.1	16.9	34.2	12.4	18.7
Return on capital employed	%	6.4	19.2	20.6	39.8	14.4	21.9
Equity per share before dilution	SEK	29.12	27.56	32.69	22.92	15.92	10.11
Equity per share after dilution	SEK	29.07	26.83	32.58	22.24	15.50	10.11
Profit margin	%	14.9	49.8	34.0	64.3	34.7	53.7
Equity/assets ratio	%	48.0	39.7	45.5	49.5	46.9	38.0
Debt/equity ratio	%	69.9	104.5	74.8	64.6	54.5	68.8
Share price at end of period	SEK	26.80	34.80	11.50	51.00	72.25	39.00
Share price/Equity per share before dilution	Times	0.92	1.26	0.35	2.23	4.54	3.86
P/E margin per share	Times	115.44	2.35	1.80	7.81	43.18	37.12
Number of shares outstanding before dilution*	Number	163,931,969	145,514,004	145,514,004	145,014,004	145,014,004	128,114,004
Number of shares outstanding after dilution*	Number	164,231,969	149,439,004	146,014,004	149,439,004	148,964,004	128,114,004
Average number of shares outstanding before dilution	Number	150,379,304	145,186,226	145,251,504	145,014,004	137,824,278	111,514,004
Average number of shares outstanding after dilution	Number	150,379,304	145,929,755	145,976,516	146,354,287	138,403,000	111,514,004

*After end of reporting period 3,822,013 convertible bonds have been further redemption whereof total number of shares outstanding before dilution amounts to 167,753,982. Total number of shares outstanding after dilution includes only share-related instruments that give rise to a dilutive effect.

Currency rates

	Closing day rate 30 Sept. 2009	Average rate Jan.-Sept. 2009	Closing day rate 30 Sept. 2008	Average rate Jan.-Sept. 2008
1 EUR in SEK	10.24	10.71	9.71	9.41
1 USD in SEK	7.01	7.86	6.75	6.19
1 TND in SEK	5.46	5.86	5.48	5.25
1 NOK in SEK	1.20	1.21	1.18	1.18
1 GBP in SEK	11.26	12.09	12.27	12.06

Other

Risks and uncertainties

PA Resources' financial, operating, business and social risks are described in the company's 2008 Annual Report, published on 31 March 2009, in the section *Risks and risk management*.

Risks in the near term include possible disruptions in production at our producing fields in connection with drilling, maintenance and installations. Following the start of production at the Azurite field, the previous risk for delays has been eliminated at the same time that the production risk has been reduced, as the Group now has production in two regions.

The risks affecting the parent company continue to consist of financial risks associated with available financing. These entail a risk for delayed or postponed investments in licences in which the Group is the operator or licence partner.

Conversion period for convertibles completed

During the period 1–30 September 2009, holders of PA Resources convertible bonds had the opportunity to convert these to shares. The conversion price is SEK 16 per share. The conversion resulted in a total of 11,239,978 new shares, which have been registered with the Swedish Companies Registration Office and are also included in trading on the NASDAQ OMX Nordic Exchange in Stockholm and the Oslo Stock Exchange.

The total number of shares and votes in the company thereby amounts to 167,753,982, and the share capital amounts to SEK 83,876,991. The total loan amount for outstanding convertible bonds amounts to SEK 984,272,384. For further information, please refer to the press release from 6 October.

Management changes

In early September the Board of Directors appointed CFO Bo Askvik as Executive Vice President of the company. He will also continue to serve in his role as CFO until a successor has been recruited.

Personnel

PA Resources has offices in Stockholm (Sweden), Tunis (Tunisia), London (the UK) and Pointe Noire (Republic of Congo). In addition, the Group has personnel stationed at the production facilities in Tunisia.

The total number of employees in the Group as per 30 September 2009 was 132 (134), of whom 116 (123) were in Tunisia, 8 (8) in Sweden, 2 (2) in the Republic of Congo, and 6 (1) in the UK. Of the total number of employees in the Group, 110 (114) were men and 22 (20) were women.

PA Resources shares

PA Resources AB's shares are listed on the NASDAQ OMX Nordic Exchange in Stockholm (Mid Cap segment) and on the Oslo Stock Exchange in Norway (OB Match segment). The shares are listed under the abbreviation PAR. A round lot consists of 200 shares in both Stockholm and Oslo.

Financial calendar 2010/2011

- Year-end report 2009 (incl. Q4): 17 February 2010
- Annual Report 2009 (PDF version) 30 March 2010
- Interim report Q1 2010 (Jan.–March) 28 April 2010
- Annual General Meeting 2010 18 May 2010
- Interim report Q2 2010 (Jan.–June) 18 August 2010
- Interim report Q3 2010 (Jan.–Sept.) 27 October 2010
- Year-end report 2010 (Jan.–Dec.) 16 February 2011

Webcast conference call, 28 October 2009

On 28 October PA Resources will be presenting its results for the third quarter of 2009, at 10 a.m., via a webcasted conference call. To participate live, visit www.paresources.se (start page), or call:
Sweden: +46 (0)8 505 598 53
UK: +44 (0)20 3043 24 36
US: +1 866 458 40 87

The conference call and presentation material can also be viewed afterwards at the same web link on www.paresources.se.

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

Further information about PA Resources can be found at www.paresources.se. Queries concerning this report can be sent to ir@paresources.se, or directed to:

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Financial statements Group

Group – Condensed income statement

SEK 000s	Notes	Q3 2009	Q3 2008	Jan.-Sept. 2009	Jan.-Sept. 2008	Jan.-Dec. 2008
Revenue	3, 5	696,487	680,438	1,458,924	2,046,544	2,419,863
Changes in inventory and work in progress		-173	270	-29	-83	-233
Cost of sales	4	-137,543	-90,241	-322,586	-335,707	-411,641
Other external expenses		-40,741	-31,590	-107,001	-105,174	-174,698
Personnel expenses	11	-19,080	-2,603	-61,785	-38,175	-61,468
Depreciation, amortisation and write-downs	5	-251,654	-101,232	-617,059	-261,660	-376,074
Operating profit	5	**247,296**	**455,042**	**350,464**	**1,305,745**	**1,395,749**
Financial income	6	65,279	-97,445	181,125	46,807	55,600
Financial expenses	6	-197,664	-133,142	-314,014	-332,726	-628,261
Total financial items		**-132,385**	**-230,587**	**-132,889**	**-285,919**	**-572,661**
Profit before tax	5	**114,911**	**224,455**	**217,575**	**1,019,826**	**823,088**
Income tax	7	-90,169	-166,803	-182,663	-491,681	-629,162
Profit for the period from continuing operations		**24,742**	**57,652**	**34,912**	**528,145**	**193,926**
Discontinued operations						
Profit for the period from discontinued operations, net after tax	9	-	134	-	9,989	731,530
Net result for the period		**24,742**	**57,786**	**34,912**	**538,134**	**925,456**
Net result for the period attributable to:						
Equity holders of the parent company		24,742	57,786	34,912	538,134	925,456
Earnings per share before dilution, continuing operations		0.16	0.40	0.23	3.64	1.33
Earnings per share before dilution, discontinued operations		-	-	-	0.07	5.04
Earnings per share before dilution		**0.16**	**0.40**	**0.23**	**3.71**	**6.37**
Earnings per share after dilution, continuing operations		0.16	0.40	0.23	3.62	1.33
Earnings per share after dilution, discontinued operations		-	-	-	0.07	5.01
Earnings per share after dilution		**0.16**	**0.40**	**0.23**	**3.69**	**6.34**

Earnings per share are attributable to equity holders of the parent company.

Group – condensed statement of comprehensive income

SEK 000s	Notes	Q3 2009	Q3 2008	Jan.-Sept. 2009	Jan.-Sept. 2008	Jan.-Dec. 2008
Net result for the period		**24,742**	**57,786**	**34,912**	**538,134**	**925,456**
Other comprehensive income						
Exchange differences during the period		-331,868	200,764	-576,109	123,923	483,027
Financial assets available-for-sale		394	-	871	-	-
Income tax relating to items in other comprehensive income		-103	-	-229	-	-
Total other comprehensive income		**-331,577**	**200,764**	**-575,467**	**123,923**	**483,027**
Total comprehensive income		**-306,835**	**258,550**	**-540,555**	**662,057**	**1,408,483**
Total comprehensive income attributable to:						
Equity holders of the parent company		-306,835	258,550	-540,555	662,057	1,408,483

Group – condensed statement of financial position

SEK 000s	Notes	30 Sept. 2009	30 Sept. 2008	31 Dec. 2008
ASSETS				
Intangible assets		1,788,851	1,671,333	1,156,199
Property, plant and equipment		7,222,757	6,717,673	7,827,680
Financial assets	8	4,398	90,437	57,367
Deferred tax assets		22,554	191,986	1,985
Total non-current assets		**9,038,560**	**8,671,429**	**9,043,231**
Inventory		5,853	6,032	5,882
Derivative financial instruments	8	24,483	-	25,857
Accounts receivable and other receivables		759,236	1,261,174	1,363,165
Current tax assets	7	3,350	648	645
Cash and cash equivalents		104,720	168,792	12,832
Total current assets		**897,642**	**1,436,646**	**1,408,381**
TOTAL ASSETS		**9,936,202**	**10,108,075**	**10,451,612**
SHAREHOLDERS' EQUITY				
Equity attributable to equity holders of the parent company				
Share capital		83,877	72,757	72,757
Other capital contributions	10	2,357,593	1,811,525	1,811,525
Reserves		-127,109	89,254	448,358
Retained earnings and profit for the period	9	2,459,873	2,036,256	2,424,087
Total equity		**4,774,234**	**4,009,792**	**4,756,727**
LIABILITIES				
Interest-bearing loans and borrowings	10	2,068,947	2,264,316	1,936,650
Derivative financial instruments	8	-	-	101,233
Deferred tax liabilities	7	646,122	478,792	590,590
Provisions	11	330,587	19,014	340,297
Total non-current liabilities		**3,045,656**	**2,762,122**	**2,968,770**
Provisions	11	513	3,826	571
Current tax liabilities		163,505	103,423	83,517
Derivative financial instruments	8	-	11,927	-
Current interest-bearing loans and borrowings		1,370,622	2,094,281	1,632,810
Accounts payable and other liabilities		581,672	1,122,704	1,009,217
Total current liabilities		**2,116,312**	**3,336,161**	**2,726,115**
TOTAL EQUITY AND LIABILITIES		**9,936,202**	**10,108,075**	**10,451,612**
PLEDGED ASSETS	13	**2,277,438**	**3,095,038**	**3,354,223**
CONTINGENT LIABILITIES	13	**14,000**	**14,000**	**14,000**

Group – condensed statement of changes in equity

SEK 000s	Notes	Share capital	Other capital contribution	Reserves	Retained earnings and net result for the period	Total
		Attributable to equity holders of the parent company				
Balance at 1 January 2008		72,507	1,791,995	-34,669	1,493,558	3,323,391
Total comprehensive income				123,923	538,134	662,057
Transactions with shareholders						
Share warrant programme - new issues of shares		250	19,530			
Share-based payments	11				4,564	4,564
Closing balance at 30 Sept. 2008		**72,757**	**1,811,525**	**89,254**	**2,036,256**	**4,009,792**
Balance at 1 October 2008		72,757	1,811,525	89,254	2,036,256	4,009,792
Total comprehensive income				359,104	387,322	746,426
Transactions with shareholders						
Share warrant programme - new issues of shares						0
Share-based payments	11				509	509
Closing balance at 31 December 2008		**72,757**	**1,811,525**	**448,358**	**2,424,087**	**4,756,727**
Balance at 1 January 2009		72,757	1,811,525	448,358	2,424,087	4,756,727
Total comprehensive income				-575,467	34,912	-540,555
Transactions with shareholders						
New share issue		5,500	286,000			291,500
Issue expenses			-8,745			-8,745
Redemption convertible shares registered	10	3,709	88,697			92,406
Redemption convertible shares unregistered	10	1,911	45,700			47,611
Convertible bond	10		209,094			209,094
Deferred tax on convertible bond	10		-74,678			-74,678
Share-based payments	11				874	874
Closing balance at 30 Sept. 2009		**83,877**	**2,357,593**	**-127,109**	**2,459,873**	**4,774,234**

The number of shares was 167,753,982 as per 30 September 2009. No dividend has been proposed for the 2008 financial year or previous financial years. Existing reserves pertain to the effects of translation of operations conducted in foreign currencies and changes in the revaluation reserve.

Group – condensed statement of cash flows

SEK 000s	Jan.-Sept. 2009	Jan.-Sept. 2008	Jan.-Dec. 2008
Cash flow from operations			
Income after financial items from continuing operations	217,575	1,019,826	823,088
Income after financial items from discontinued operations	0	105,189	83,216
Adjustments for non-cash items	633,283	510,679	906,434
Income tax paid	-89,719	-494,479	-194,825
Total cash flow from operating activities			
before changes in working capital	**761,139**	**1,141,215**	**1,617,913**
Cash flow from changes in working capital			
Increase (-)/decrease (+) in inventory	-8,646	4,332	7,619
Increase (-)/decrease (+) in receivables	-492,048	-541,346	-213,903
Increase (+)/decrease (-) in liabilities	-44,362	543,201	872,569
Cash flow from operating activities	**216,083**	**1,147,402**	**2,284,198**
Cash flow from investing activities			
Disposal of subsidiaries	999,011	9,148	9,148
Investments in intangible assets	-803,243	-916,351	-1,146,013
Investments in property, plant and equipment	-932,544	-2,129,529	-2,701,488
Cash flow from investing activities	**-736,776**	**-3,036,732**	**-3,838,353**
Cash flow from financing activities			
Redemption stock option programme (excl. soc. sec. contr.)	-	19,780	19,780
New share issue	282,755	-	-
Loans raised	2,380,161	2,776,428	2,792,682
Amortisation of debt	-2,046,128	-1,016,414	-1,530,677
Cash flow from financing activities	**616,788**	**1,779,794**	**1,281,785**
Cash flow for the period	**96,095**	**-109,536**	**-272,370**
Cash and cash equivalents at the beginning of period	12,832	285,281	285,281
Exchange rate difference in cash and cash equivalents	-4,207	-6,953	-79
Cash and cash equivalents at end of period	**104,720**	**168,792**	**12,832**
Adjustments for non-cash items			
Depreciation, amortisation and write-downs	617,059	334,570	488,134
Accounting fair value of financial instruments	-139,403	58,017	135,798
Oil sales attributable to Net Entitlement Method (net)	-129,259	19,028	191,471
Other items including exchange gains and losses (net)	284,886	99,064	91,031
Total	**633,283**	**510,679**	**906,434**

Financial statements Parent company

Parent company – condensed income statement

SEK 000s	Notes	Q3 2009	Q3 2008	Jan.-Sept. 2009	Jan.-Sept. 2008	Jan.-Dec. 2008
Net sales		5,390	5,102	15,155	8,955	21,189
Other external expenses	12	-10,261	-8,235	-31,919	-17,635	-30,356
Personnel expenses		-5,034	5,529	-23,559	-14,264	-19,900
Depreciation, amortisation and write-downs		-50	-52	-145	-148	-202
Operating profit/loss		**-9,955**	**2,344**	**-40,468**	**-23,092**	**-29,269**
Financial income and similar	6, 8	147,491	54,568	410,625	178,244	683,859
Financial expenses and similar	6, 8	-216,524	-87,827	-482,705	-255,163	-437,933
Total financial items		**-69,033**	**-33,259**	**-72,080**	**-76,919**	**245,926**
Profit/loss before tax		**-78,988**	**-30,915**	**-112,548**	**-100,011**	**216,657**
Income tax	7	13,006	-	17,357	-	-
Result for the period		**-65,982**	**-30,915**	**-95,191**	**-100,011**	**216,657**

Parent company – condensed balance sheet

SEK 000s	Notes	30 Sept. 2009	30 Sept. 2008	31 Dec. 2008
ASSETS				
Intangible assets		218,569	844	110,003
Property, plant and equipment		434	490	452
Financial assets		5,775,071	2,485,310	4,315,119
Total non-current assets		**5,994,074**	**2,486,644**	**4,425,574**
Receivables Group companies		-	2,429,145	-
Current tax assets		1,035	460	540
Derivative financial instruments	8	24,483	-	25,857
Other receivables		3,940	3,742	1,001,263
Prepaid expenses and accrued income		18,593	198,460	238,108
Cash and cash equivalents		49,803	60,278	4,539
Total current assets		**97,854**	**2,692,085**	**1,270,307**
TOTAL ASSETS		**6,091,928**	**5,178,729**	**5,695,881**
SHAREHOLDERS' EQUITY				
Restricted equity				
Share capital		83,877	72,757	72,757
Statutory reserve		985,063	985,063	985,063
Revaluation reserve		642	-	-
Total restricted equity		1,069,582	1,057,820	1,057,820
Non-restricted equity				
Share premium reserve	10	1,342,167	796,099	796,098
Profit/loss brought forward and result for the period		172,344	-50,760	266,415
Total non-restricted equity		1,514,511	745,339	1,062,513
Total shareholders' equity		**2,584,093**	**1,803,159**	**2,120,333**
LIABILITIES				
Provisions	11	395	848	50
Total provisions		**395**	**848**	**50**
Interest-bearing loans and borrowings	10	1,462,396	1,019,080	1,099,034
Derivative financial instruments	8	-	-	101,233
Deferred tax liability		57,550	-	-
Total non-current liabilities		**1,519,946**	**1,019,080**	**1,200,267**
Liabilities Group companies		613,614	907,915	839,471
Accounts payable		4,024	3,152	6,291
Other liabilities		323	319	390
Derivative financial instruments	8	-	11,927	-
Current interest-bearing loans and liabilities		1,217,673	1,334,140	1,434,443
Accrued expenses and prepaid income		151,860	98,189	94,636
Total current liabilities		**1,987,494**	**2,355,642**	**2,375,231**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**6,091,928**	**5,178,729**	**5,695,881**
PLEDGED ASSETS	13	**2,277,438**	**3,077,163**	**3,352,520**
CONTINGENT LIABILITIES	13	**14,000**	**14,000**	**14,000**

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 and on the Oslo Stock Exchange in Oslo, Norway (OB Match segment) since 2001. The company's and its subsidiaries' operations are described in the section "*Operational review*".

Note 2. Accounting principles

The interim report for the quarter ended 30 September 2009 has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act. The consolidated financial statements for the third quarter 2009 have, like the full year 2008, 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 2.2, Accounting for Legal Entities, issued by the Swedish Financial Reporting Board.

The accounting principles applied for the period are the same as those applied for the 2008 financial year and as described in the 2008 Annual Report, with the following exceptions (see below) due to new or revised standards, interpretations and changes adopted by the European Union (EU) that are to be applied from 1 January 2009. Only the new or revised standards that have had an impact on the Group are described below.

The interim report does not contain all the information and disclosures provided in the annual report; the interim report should therefore be read together with the annual report for 2008.

New or revised standards

IFRS 8 Operating Segments
Effective 1 January 2009, the Group has implemented IFRS 8 Operating Segments, which replaces IAS 14 Segment Reporting. The new standard requires that a company provide more detailed financial and explanatory disclosures about its reportable operating segments and that segment information is presented from management's perspective, which means that the information is presented in the way it is used in the internal reporting. Reportable segments are lines of businesses or aggregated lines of businesses that fulfil certain specific criteria. The starting point for identification of reportable segments is the internal reporting as it is reported and followed up by the chief operating decision maker (CODM). The Group has identified Group Management as the CODM. The Group has identified four reportable segments according to IFRS 8: North Africa, West Africa, North Sea and Other.

Implementation of this standard has not had any effect on the Group's total financial position compared with the figures presented in the 2008 Annual Report. Information on the Group's operating segments is provided in Note 5, *Segment reporting*, and comparative figures for previous periods have been adjusted.

Revised IAS 1 Presentation of Financial Statements
The revised standard breaks down changes in equity resulting from transactions with shareholders and other changes. The statement of changes in equity will only include details regarding shareholder transactions. In addition to this, the standard introduces the concept "Condensed statement of comprehensive income", which shows all items pertaining to revenue and expenses that have previously been reported in the "Group statement of changes in equity", either in an individual statement or in two interrelated statements. The Group has chosen to present the statement of comprehensive income in two statements, "Group – Condensed income statement" and "Group – Condensed statement of comprehensive income".

Note 3. Revenues

Total outstanding oil inventory in number of barrels as per the reporting date is accounted for as if the oil inventory would have been sold in accordance with the Net Entitlement Method accounting principle. The total effect during the period January–September 2009 was an increase in the Group's total revenue by SEK 222.5 million. The positive effect is due to higher outstanding oil inventory as per 30 September 2009, recalculated to revenues, compared with total outstanding oil inventory as per 31 December 2008, recalculated to revenues. Total positive effect in revenues corresponds only to an unrealised distribution effect between the interim periods. The amount has been eliminated and does not affect the Group's cash flow from operating activities.

Note 4. Cost of sales

SEK 000s	Q3 2009	Q3 2008	Jan.-Sept. 2009	Jan.-Sept. 2008	Jan.-Dec. 2008
Operation and production costs	63,446	34,732	188,113	139,582	191,747
Royalties	74,097	55,509	134,473	196,125	219,894
Total cost of sales	**137,543**	**90,241**	**322,586**	**335,707**	**411,641**

The parent company has no costs for cost of sales.

Note 5. Segment reporting

IFRS 8 Operating Segments, which replaces IAS 14 Segment Reporting, has been applied from 1 January 2009 within the Group. This standard requires that disclosures are made from management's perspective, which refers to the reporting chief operating decision maker (CODM) and means that the reporting shall correspond to how it is presented internally. Group management has been identified as the CODM for the PA Resources Group. The Group is organised in and is managed from 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.
The same accounting principles and calculation methods have been used in the reporting of operating segments in this interim report as in the 2008 Annual Report.

The Group has, compared with the previous primary segments, identified four reportable operating segments in accordance with IFRS 8: North Africa, West Africa, North Sea and Other. A summary of operating segments per geographical region and the local reporting entities included within each respective reportable operating segment is as follows:

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
Other: PA Resources AB, Microdrill AB

The difference in segment classification presented according to IFRS 8 compared with the segment classification presented in the 2008 Annual Report is that, as from 1 January 2009, the PA Resources Group shows reportable operating segments for geographical regions instead of geographically per country. The reportable operating segments are accounted for according to the same accounting principles as the Group. The reportable operating segments' revenues, expenses, assets and liabilities include items directly attributable to and items that have been able to be allocated to a specific operating segment in a reasonable and reliable way.

External revenues for all operating business segments except for "Other" pertain to sales of oil and services related to exploration and production of oil and gas. Internal revenues for all operating segments pertain to further invoiced expenses related to services provided for geology, seismology, exploration and production of oil and gas. Market conditions in accordance with arm's length are applied when transactions between operating segments are made.

Group management (the CODM) follows up the profit or loss measure "profit/loss before tax". Financial revenue and expenses are reported gross for the tables on the next page but net in the income statement.

In December 2008 the wholly owned subsidiary PA Resources Norway AS was divested. The subsidiary was deconsolidated as per 31 December 2008 and is classified as a discontinued operation in the comparative figures in this interim report. For further information see Note 9 *Discontinued operations and available-for-sale assets and liabilities*.

SEK 000s	Interim period January-September 2009 North Africa	West Africa	North Sea	Other	Group & eliminations	Total
Income statement						
Revenue, external	1,314,784	143,773	-	367		**1,458,924**
Revenue, internal	-	-	-	14,788	-14,788	**0**
Depreciation, amortisation and write-downs	-599,283	-15,080	-2,551	-145		**-617,059**
Operating profit/loss	**362,406**	**53,590**	**-10,023**	**-40,468**	**-15,041**	**350,464**
Financial income	276,547	204	15,317	955,462	-727,283	**520,247**
Financial expenses	-303,871	-73,004	-11,884	-1,027,542	763,165	**-653,136**
Profit/loss before tax	**335,082**	**-19,210**	**-6,590**	**-112,548**	**20,841**	**217,575**
Income tax revenues						**43,676**
Income tax expenses						**-226,339**
Net result for the period						
from continuing operations						**34,912**

SEK 000s	Interim period January-September 2008 North Africa	West Africa	North Sea	Other	Norway (Discontinued operation)	Group & eliminations	Total
Income statement							
Revenue, external	2,016,999	-	-	116	418,236	-388,807	**2,046,544**
Revenue, internal	-	-	-	8,839	8,969	-17,808	**0**
Depreciation, amortisation and write-downs	-261,671	-94	253	-148	-72,910	72,910	**-261,660**
Operating profit/loss	**1,348,329**	**-4,073**	**-10,815**	**-24,751**	**165,197**	**-168,142**	**1,305,745**
Financial income	210,573	56	-	701,658	65,596	-686,817	**291,066**
Financial expenses	-281,035	-65,578	-4,642	-779,161	-235,154	788,585	**-576,985**
Profit/loss before tax	**1,277,867**	**-69,595**	**-15,457**	**-102,254**	**-4,361**	**-66,374**	**1,019,826**
Income tax revenues							**16,894**
Income tax expenses							**-508,575**
Net result for the period							
from continuing operations							**528,145**

SEK 000s	North Africa	West Africa	North Sea	Other	Group & eliminations	Total
	30 September 2009					
Balance sheet						
Assets						
Non-current assets	5,420,877	3,202,502	413,107	2,074		**9,038,560**
Current assets, external	368,112	414,983	16,619	97,928		**897,642**
Current assets, internal	1,253,782	-	-	3,556,746	-4,810,528	**0**
Liabilities						
Non-current liabilities	1,433,390	91,924	-	1,520,342		**3,045,656**
Current liabilities, external	498,223	229,208	14,999	1,373,882		**2,116,312**
Current liabilities, internal	654,070	3,407,431	135,413	613,614	-4,810,528	**0**
Investments in property, plant and equipment (gross amounts)	458,202	474,106	110	126		**932,544**
Investments in intangible assets (gross amounts)	-	685,465	117,778	-		**803,243**

SEK 000s	North Africa	West Africa	North Sea	Other	Group & eliminations	Total
	31 December 2008					
Balance sheet						
Assets						
Non-current assets	6,254,521	2,471,400	316,090	1,220		**9,043,231**
Current assets, external	182,917	146,421	14,472	1,064,571		**1,408,381**
Current assets, internal	1,322,750	-	-	2,097,620	-3,420,370	**0**
Liabilities						
Non-current liabilities	1,869,736	-	-	1,099,034		**2,968,770**
Current liabilities, external	698,350	467,675	24,369	1,535,721		**2,726,115**
Current liabilities, internal	497,844	1,971,726	111,329	839,471	-3,420,370	**0**
Investments in property, plant and equipment (gross amounts)	1,435,839	1,125,639	5,422	489	134,099	**2,701,488**
Investments in intangible assets (gross amounts)	1,040	531,991	193,606	-	419,376	**1,146,013**

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

The Group's customers consist primarily of a few major international oil and trading companies. Information on external revenues pertaining to the region where the operating segments are registered and outside the region is shown below. Revenues from individual external customers, where the revenues amount to 10% or more compared to total Group external revenue, are also shown in the table.

	Interim period January-September 2009				
SEK 000s	**North Africa**	**West Africa**	**North Sea**	**Other**	**Total Group**
Revenues from external customers within the region	519,299	143,773	-	367	663,439
Revenues from external customers outside the region	795,485	-	-	-	795,485
Total revenues, external	**1,314,784**	**143,773**	**-**	**367**	**1,458,924**
Revenues from external customers exceeding					
10% of total Group revenue					
Customer 1	**592,999**	**-**	**-**	**-**	**592,999**
Customer 2	**205,906**	-	-	-	**205,906**
Customer 3	**153,971**	-	-	-	**153,971**
%age of revenues from external customers					
exceeding 10% of total Group revenue					
Customer 1	**41%**	**-**	**-**	**-**	**41%**
Customer 2	**14%**	-	-	-	**14%**
Customer 3	**11%**	-	-	-	**11%**

Customer 1, 2 and 3 refers to Tunisia.

Note 6. Financial income and expenses during the period

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

	Group		
SEK 000s	**Jan.-Sept. 2009**	**Jan.-Sept. 2008**	**Jan.-Dec. 2008**
Interest income	41,573	36,264	45,057
Exchange gains	-	-	-
Other financial items	139,552	10,543	10,543
Total financial income (net)	**181,125**	**46,807**	**55,600**

SEK 000s	**Jan.-Sept. 2009**	**Jan.-Sept. 2008**	**Jan.-Dec. 2008**
Interest expense	-118,397	-237,979	-336,532
Exchange losses	-128,653	-52,614	-172,292
Other financial items	-66,964	-42,133	-119,437
Total financial expenses (net)	**-314,014**	**-332,726**	**-628,261**

Exchange gains/losses are broken down as follows:			
Exchange gains arising from bank equivalents (gross)	102,023	53,184	91,749
Exchange gains arising from borrowings (gross)	237,099	191,075	245,889
Exchange losses arising from bank equivalents (gross)	-48,241	-85,641	-95,430
Exchange losses arising from borrowings (gross)	-419,534	-211,232	-414,500
Total exchange gains (+) / losses (-) (net)	**-128,653**	**-52,614**	**-172,292**

	Parent company		
SEK 000s	**Jan.-Sept. 2009**	**Jan.-Sept. 2008**	**Jan.-Dec. 2008**
Interest income	271,222	178,225	270,326
Exchange gains	-	-	59,126
Other financial items	139,403	19	354,407
Total financial income (net)	**410,625**	**178,244**	**683,859**

SEK 000s	**Jan.-Sept. 2009**	**Jan.-Sept. 2008**	**Jan.-Dec. 2008**
Interest expense	-266,105	-185,597	-326,796
Exchange losses	-164,742	-24,953	-
Other financial items	-51,858	-44,613	-111,137
Total financial expenses (net)	**-482,705**	**-255,163**	**-437,933**

Exchange gains/losses are broken down as follows:			
Exchange gains arising from bank equivalents (gross)	92,846	40,803	70,239
Exchange gains arising from borrowings (gross)	451,991	482,611	944,581
Exchange losses arising from bank equivalents (gross)	-40,713	-76,742	-85,152
Exchange losses arising from borrowings (gross)	-668,866	-471,625	-870,542
Total exchange gains (+) / losses (-) (net)	**-164,742**	**-24,953**	**59,126**

Note 7. Income tax

Reported tax for continuing operations for the period January–September 2009 amounted to SEK -182.7 million net and pertains mainly to deferred tax attributable to interests in oilfields in Tunisia. The deferred income tax is calculated according to the liability method and is based on applicable local tax rules and tax rates as per the balance sheet date. The parent company's accounts include a deferred tax asset of SEK 17.4 million attributable to deferred tax on convertible bonds.

Note 8. Reporting of financial instruments

Most of the assets owned by the PA Resources Group consist of international oil and gas discoveries that 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 of 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. The currency and interest rate swap agreements are carried at market value as per 30 September 2009, resulting in an unrealised gain of SEK 139.4 million.

Note 9. Discontinued operations and available-for-sale assets and liabilities

In December 2008 the wholly owned subsidiary PA Resources Norway AS was divested, and the company was deconsolidated from the PA Resources Group as per 31 December 2008. In connection with the deconsolidation, the subsidiary, which was previously classified as a separate segment, has been classified as a discontinued operation. Comparative figures for previous periods have been recalculated, and the subsidiary's revenues and expenses, excluding Group transactions, for the period January–September 2008 are shown below.

Revenue and expenses attributable to discontinued operation

SEK 000s	Jan.-Sept. 2009	Jan.-Sept. 2008
Revenue	-	418,236
Expenses	-	-262,008
Operating profit/loss	**-**	**156,228**
Financial items (net)	-	-51,039*
Profit/loss before tax	**-**	**105,189**
Income tax for the period (net)	-	-95,200
Net result for the period from discontinued operation	**-**	**9,989**

*Financial items (net) after eliminations of Group transactions, financing from parent company etc.

In accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations, profit for the period for the divested subsidiary is reported in the consolidated income statement under "Net result for the period from discontinued operations, net after tax". This means that revenue and expenses pertaining to the divested subsidiary are excluded from all items reported in the income statement for the current period and for earlier periods.

The divested subsidiary is excluded from the Group's condensed statements of financial position as per 30 September 2009 and 31 December 2008, but is included in the condensed statements of financial position as per 30 September 2008.

Note 10. Convertible bond

In January 2009 PA Resources completed the final calculation of the new issue of convertibles with preferential rights for the company's shareholders. A total of 72,757,002 convertibles, corresponding to a nominal amount of SEK 1,164.1 million were subscribed for the issue. The new issue generated SEK 1,089.3 million for PA Resources after deduction of transaction costs and guarantee provisions. In the event that all of the convertibles are converted to shares, the number of the shares in the company would increase to 218,271,006, corresponding to a dilution of approximately 33%. The convertibles are traded on the NASDAQ OMX Nordic Stock Exchange in Stockholm and on the Oslo Stock Exchange in Norway.

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 requested during the period 1 – 30 September each year. The conversion price is SEK 16 per share.

The convertible debenture 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 deduction of transaction costs.

In September 2009 a total of 11,239,978 convertibles corresponding to a nominal value of SEK 179.8 million, were converted to stock. In total the conversion increased shareholders' equity by SEK 140.0 million, of which the share capital by SEK 5.6 million. The conversion for 2009 has thereby been completed, entailing a nominal reduction in the liability amount by SEK 179.8 million.

Note 11. Provisions

Accounting for share warrants:
Outstanding share warrants resulted in a cost of SEK 1.5 million for the period January–September 2009. Total social security contributions calculated on outstanding share warrants amounted to SEK 0.4 million as per 30 September 2009, which have been reported on the balance sheet as provisions among non-current liabilities.

The number of shares outstanding at the end of the period and before full exercise of granted share warrants amounts to 163,931,969. The number of shares outstanding after full exercise of remaining share warrants (300,000) would be 164,231,969. After the end of the reporting period, an additional 3,822,013 convertibles were redeemed, whereby the total number of shares outstanding before dilution amounts to 167,753,982 and the number of shares outstanding after full exercise of remaining granted share warrants (300,000) would amount to 168,053,982.

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 when 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 expected provision amounted to SEK 330.2 million as per 30 September 2009. 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 233.7 million as per 30 September 2009. Future changes in provisions due to the time value of money are accounted for as a financial expense, and estimate changes are capitalised or reversed against the corresponding assets.

Note 12. Transactions with related parties

During the period January–September 2009, no significant transactions took place between the parent company and related parties within the Group, apart from remuneration to the Chairman of the Board and board members in the form of customary directors' fees decided on by the Annual General Meeting.

Note 13. Pledged assets and contingent liabilities

As per 30 September 2009, total pledged assets, both in the Group and the parent company, amounted to SEK 2,277 million, and total contingent liabilities amounted to SEK 14 million. Compared with 30 June 2009, total pledged assets have increased by SEK 509 million for the Group and parent company. The increase during the quarter pertains to the pledging of additional security in the form of shares in oilfields in the Republic of Congo, and also the pledging of an additional guarantee commitment for intra-Group loans. In addition, assets pledged in the form of shares in oilfields in Tunisia have been adjusted for currency movements, and as per the balance sheet date, no pledged assets exist pertaining to oil inventory for payment of royalties in kind.
Total contingent liabilities for the Group and parent company are unchanged compared with 30 June 2009. Total pledged assets and contingent liabilities for both the Group and parent company as per 30 September 2009 compared with 31 December 2008 and 30 September 2008 are shown in the following table.

	Group			Parent company		
Pledged assets - SEK 000s	**30 Sept. 2009**	**30 Sept. 2008**	**31 Dec. 2008**	**30 Sept. 2009**	**30 Sept. 2008**	**31 Dec. 2008**
Pledged assets are broken down as follows:						
Security in the form of shares in oilfields in the Republic of Congo	875,938	-	-	-	-	-
Guarantee commitment for Group loan obligations	-	-	-	875,938	-	-
Security in the form of shares in oilfields in the Republic of Congo and Equatorial Guinea	-	1,338,319	1,434,715	-	-	-
Security in the form of pledged shares in PA Energy Congo BVI Ltd and Osborne Resources Ltd	-	-	-	-	1,338,319	1,434,715
Security in the form of shares in oilfields in Tunisia	1,401,500	1,350,500	1,553,320	-	-	-
Security in the form of pledged shares in Didon Tunisia Pty Ltd	-	-	-	1,401,500	1,350,500	1,553,320
Security in the form of shares in oilfields in Norway	-	388,344	364,485	-	-	-
Guarantee commitment for subsidiaries loan obligations	-	-	-	-	388,344	364,485
Oil inventory attributable to payment of royalty in kind	-	17,875	1,703	-	-	-
Total pledged assets	**2,277,438**	**3,095,038**	**3,354,223**	**2,277,438**	**3,077,163**	**3,352,520**

Contingent liabilities - SEK 000s	**30 Sept. 2009**	**30 Sept. 2008**	**31 Dec. 2008**	**30 Sept. 2009**	**30 Sept. 2008**	**31 Dec. 2008**
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**