Fourth quarter and Preliminary 2013

25 February 2014

CEO Scott McReaken

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Highlights in fourth quarter 2013

- Satisfactory operational uptime on Sevan Driller and Sevan Brasil for the quarter and year
- Delivery of Louisiana 23 October and in transit towards the US Gulf
- Drawdown of USD 1,400 million on new USD 1,750 million facility on 08 October. Refinanced previous facilities and completed Louisiana yard payment
- Established a USD 100 million revolving credit facility with Seadrill
- Sevan Developer delivery revised to Q3 2014
- Integrating operations and activities with Seadrill

SEVANDrilling

Financial update

Income statement

All figures in USD million	Q4 2013	Q4 2012	FY 2013	FY2012
Operating Income	67.7	57.9	257.7	173.4
Operating Expense	-62.2	-34.6	-200.2	-119.0
EBITDA	5.5	23.3	57.5	54.5
Depreciation, Amortization and impairment	-15.2	-15.4	-64.1	-43.1
Operating Profit / (Loss)	-9.7	8.0	-6.6	11.4
Financial Income/(expense)	-15.5	-14.4	-84.4	-42.4
Foreign Exchange gain/(loss) relating to financing	-1.1	-0.1	-4.6	0.0
Net Financial Items	-16.6	-14.5	-89.1	-42.4
Profit / (Loss) before tax	-26.3	-6.6	-95.6	-31.0
Tax income / (expense)	-2.0	4.7	-60.9	19.3
Net Profit / (loss)	-28.3	-1.9	-156.6	-11.7

Revenues

- Operating revenues influenced by stable uptime

Operating Expenses

- Sevan Driller operating expenses
  - 2013 Q4 (Year) USD 182,000 per day (184,000)
  - 2012 Q4 (Year) USD 166,000 per day (166,000)
- Sevan Brasil operating expenses
  - 2013 Q4 (Year) USD 207,000 per day (182,000)
  - 2012 Q4 (Year) USD 145,000 per day (147,000)
- USD 6.9 million in severance costs
  - USD 1.7 million in Q3
  - USD 5.2 million in Q4
- USD 2.3 million Q4 write off of intangible costs

Depreciation, Amortization and Impairment

- USD 3.7 million impairment related to termination of IT Infrastructure project in Q3

Financial Items and Tax Expense

- USD 36.7 million extinguishment unamortized finance costs Q2
- USD 4.6 million commitment and guarantee fees
- USD 52.9 million non-cash impairment of deferred tax assets in Q3

Balance sheet

All figures in USD million	YE 2013	YE2012
Drilling Rigs	1,916.6	1,500.4
Other fixed assets	19.2	12.5
Intangible assets	0.0	1.6
Deferred income tax assets	0.0	51.5
Other non-current assets	40.4	20.4
Total non-current assets	**1,976.2**	**1,586.4**
Inventories	26.9	22.5
Trade and other receiveables	32.4	33.9
Cash and cash equivalents	128.7	76.8
Total current assets	**188.0**	**133.2**
TOTAL ASSETS	**2,164.2**	**1,719.7**
Share Capital	108.6	61.9
Other equity	575.2	600.5
Total equity	**683.8**	**662.4**
Interest bearing debt	1,196.1	717.9
Other non-current liabilities/provisions	0.1	73.0
Total non-current liabilities	**1,196.2**	**790.9**
Interest bearing debt	173.1	140.8
Current liabilities	111.2	125.6
Total current liabilities	**284.2**	**266.4**
Total liabilities	**1,480.5**	**1,057.3**
Total equity and liabilities	**2,164.2**	**1,719.7**

Assets

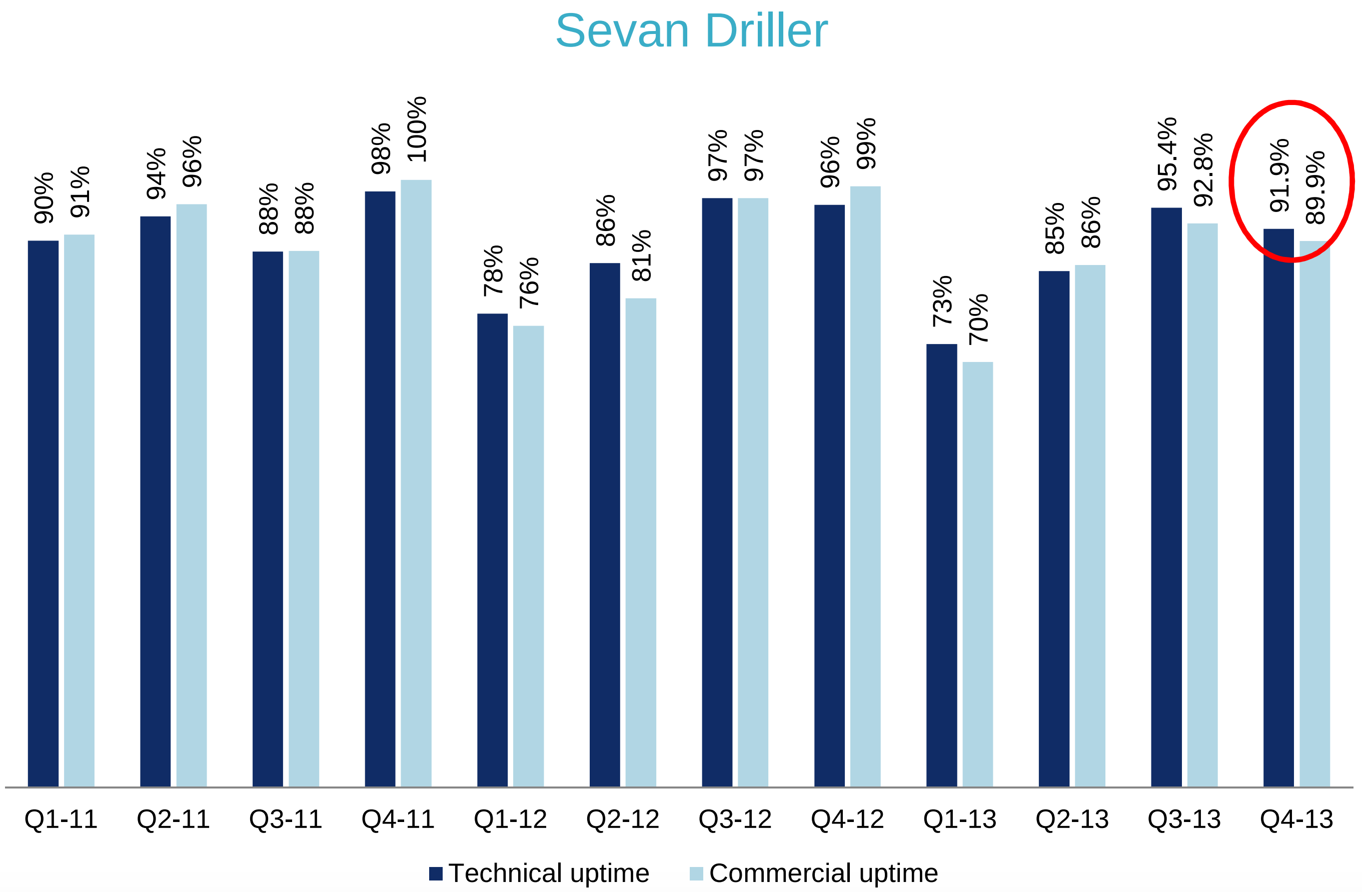
- Cash balance of USD 128.7 million
- USD 3.5 million additional integration costs related to IT equipment
- USD 25 million non-current assets due to mobilization costs for Sevan Louisiana
- USD 52.9 million deferred income tax impaired in Q3 2013

Liabilities

- USD 1,400 million drawn on facility, net USD 30.8 million deferred financing costs
- Refinanced term loan facilities for Sevan Driller and Sevan Brasil
- Other non-current liabilities had settlement of USD 27.4 million interest rate swaps, USD 26.5 million of milestone on Sevan Brasil and USD 16 million deferred riser payment
- Equity ratio of 31.6 percent

Operations

Operations and uptime



Petrobras' "Bad Sonda" rating system: (Scale 1 to 10): 8.5 Q4 (8.8 2013)

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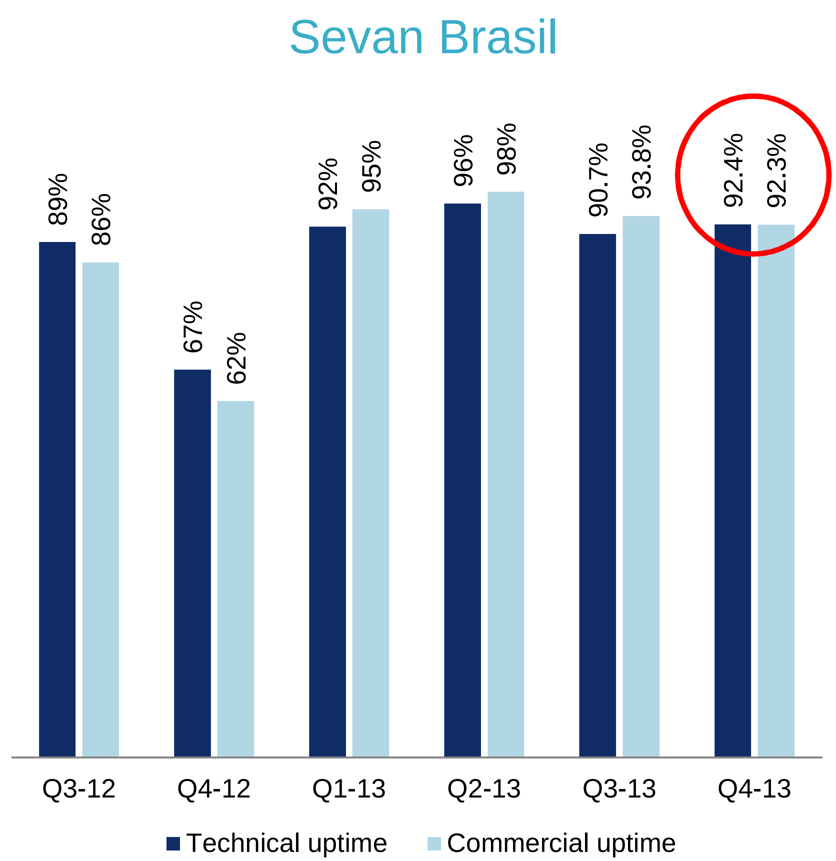
Operations and uptime



Petrobras' "Bad Sonda" rating system: (Scale 1 to 10): 8.2 Q4 (9.1 2013)

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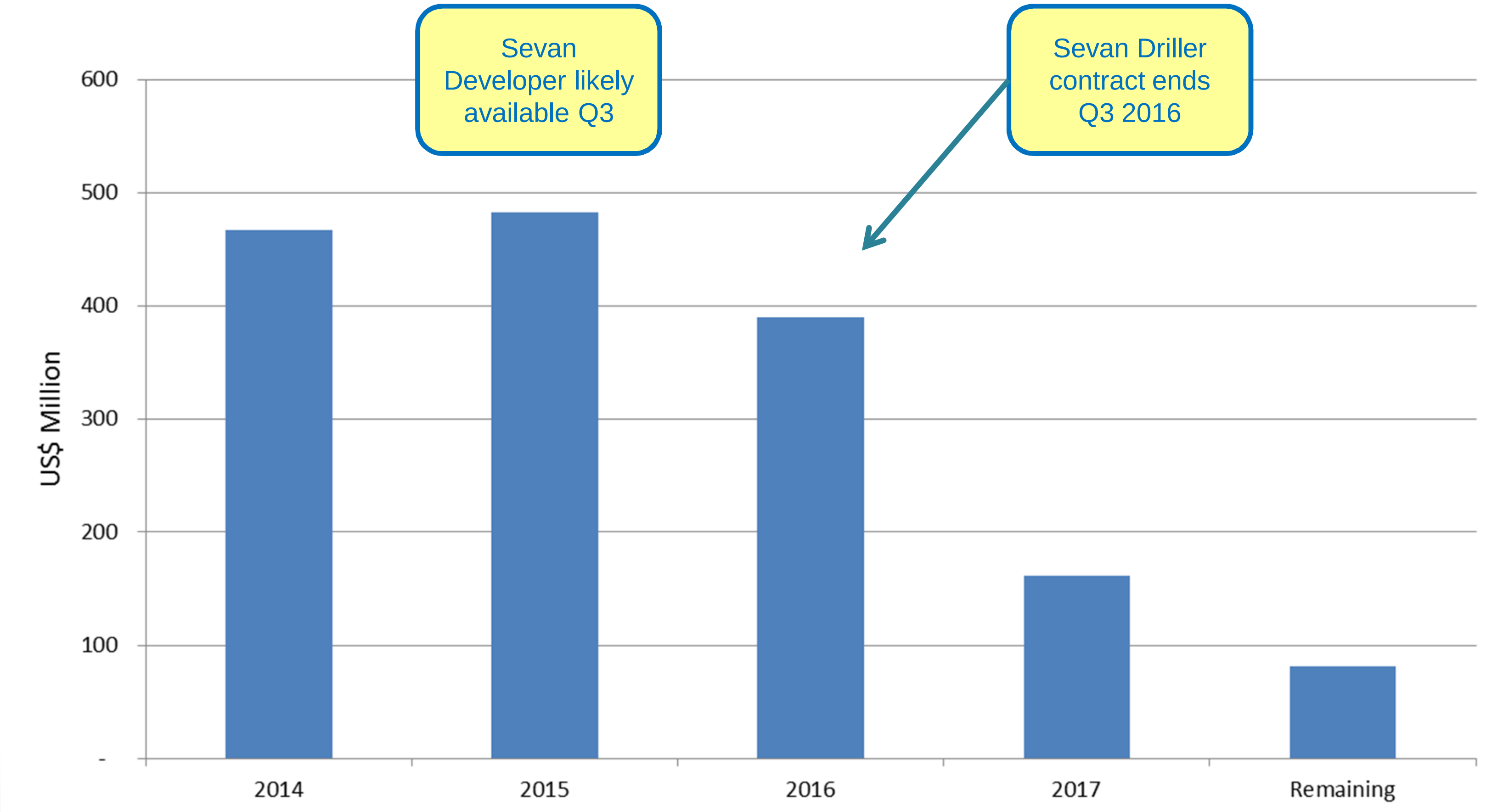
Contracting and Client Backlog – USD 1.6bn

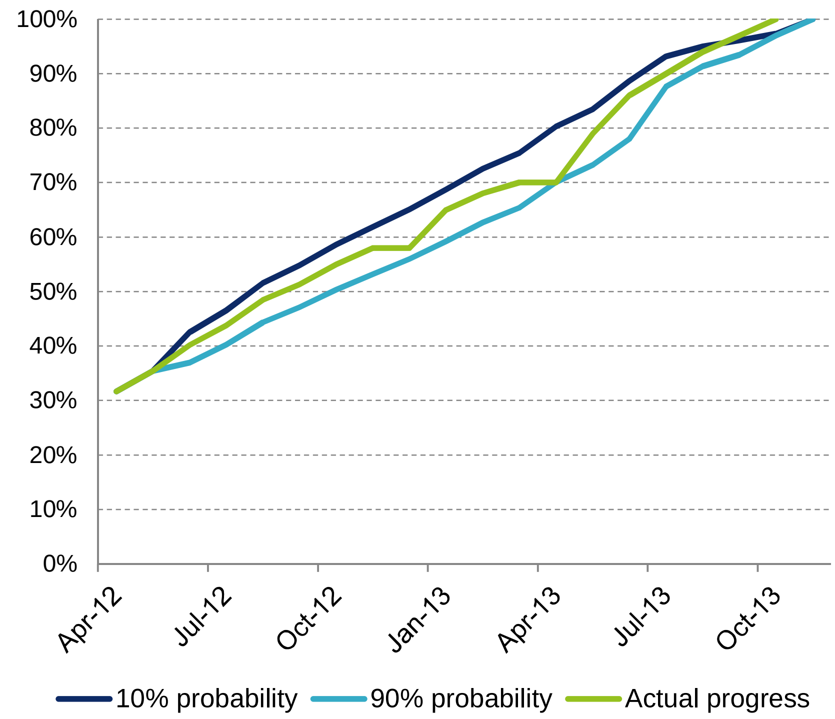


** As of 31 December 2013*

Sevan Louisiana – 100% completion

- Delivered from Cosco 23 October 2013
- The rig sailing to the US Gulf of Mexico
  - Departed Walvis Bay, Namibia 15 February
  - Mid March arrival in Curacao
  - April arrival/commencement US Gulf of Mexico
- Average transit speeds with tug assist range from 5 to 7 knots
- Estimated commencement under the LLOG Bluewater contract April 2014

Overall progress



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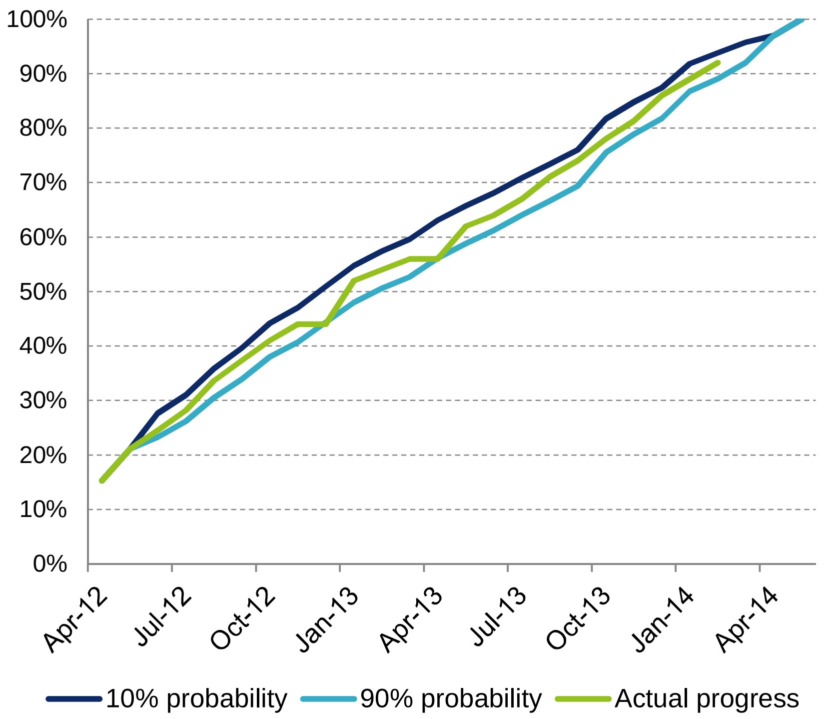
Sevan Developer – 89% completion

- Construction progressing according to plan
- As a result of delays in subsea vendor equipment , Cosco has indicated delivery likely in Q3 2014
- Drillfloor and living quarter finish constructed
- BOP installed
- Power system commissioned, and are using the rig's own power
- In dialog with clients for marketing of the rig

Overall progress



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Integration Update

Seadrill Integration through the MSA's

Benefits

- Financing savings and parent guarantee
- Change in culture operations and projects
- Expectation of efficiencies on the rig and onshore
- Support for further growth

Risks and Mitigation

- Reliance on one service provider
- Monitoring performance under the management agreements
- Unavoidable mechanical downtime

Concluding remarks

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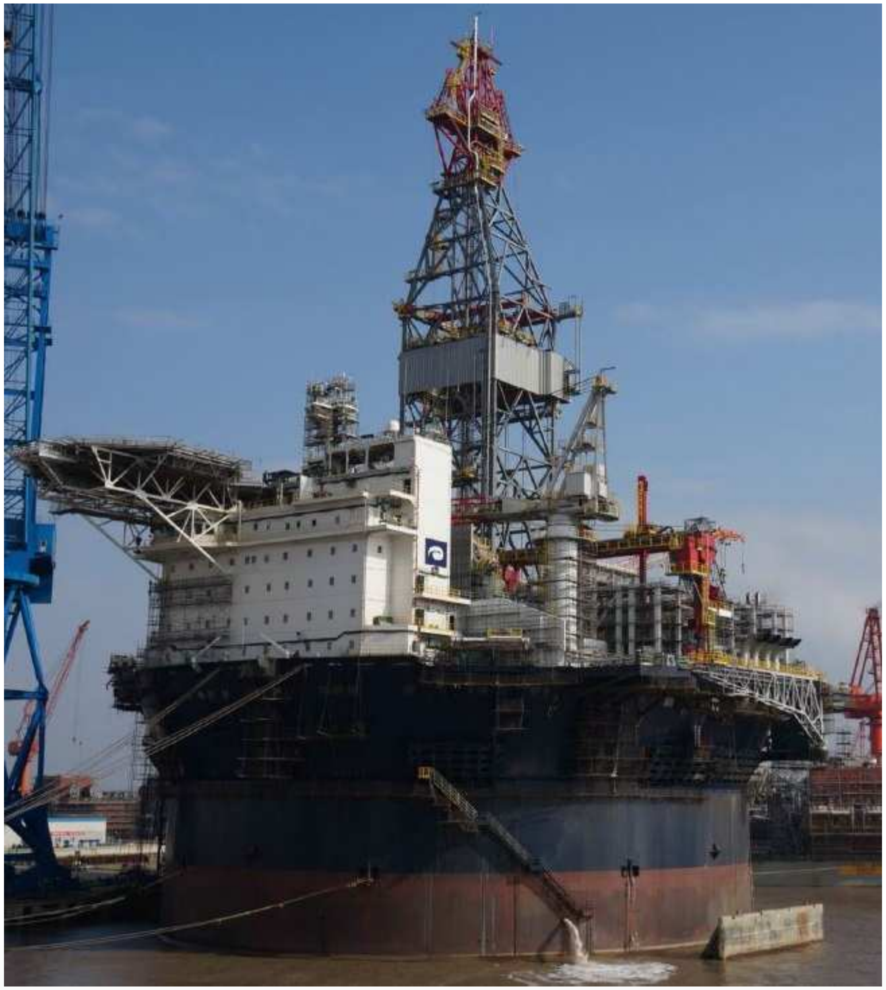

Sevan Developer at Cosco

- Sevan Drilling has undergone a significant transition in the past 6 months
  - Increased operating efficiency
  - Improved operational safety
  - Reduced fixed overhead costs
- Pleased with the transit times and mobilization on the Sevan Louisiana
- Construction progressing on Sevan Developer, monitoring the subsea equipment lead times
  - Delay in delivery advantageous in a softening market
- Financing in place for existing operations
- Evaluating future capital requirements when decision on delivery of Sevan Developer is taken

The pure-play ultra deepwater drilling company.

SEVAN Drilling