

NAVIGATING IN LOW VISIBILITY

Maersk Drilling

Maersk Group Capital Markets Day, 9 September 2015



LEGAL NOTICE

This presentation contains certain forward looking statements (all statements that are not entirely based on historical facts, among others expectations to future financial performance, developments, resources growth and production levels). Those forward looking statements reflect current views on future events and are by their nature subject to significant risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. We consider such forward looking statements reasonable based on the information available to us at this time, but the actual results etc. may differ materially from our expectations because of external factors as well as changes to APMM's goals and strategy. Thus, no undue reliance should be placed on such statements. Neither APMM, nor any other person, shall assume responsibility for the accuracy or completeness of the forward looking statements and do not undertake any obligation to update such statements except as required by law. This Legal Notice shall be governed by Danish Law. Any dispute arising out of or in relation to this Legal Notice which can not be solved amicably shall be decided by the Danish Courts.

INTRODUCTION



Claus V. Hemmingsen
Chief Executive Officer



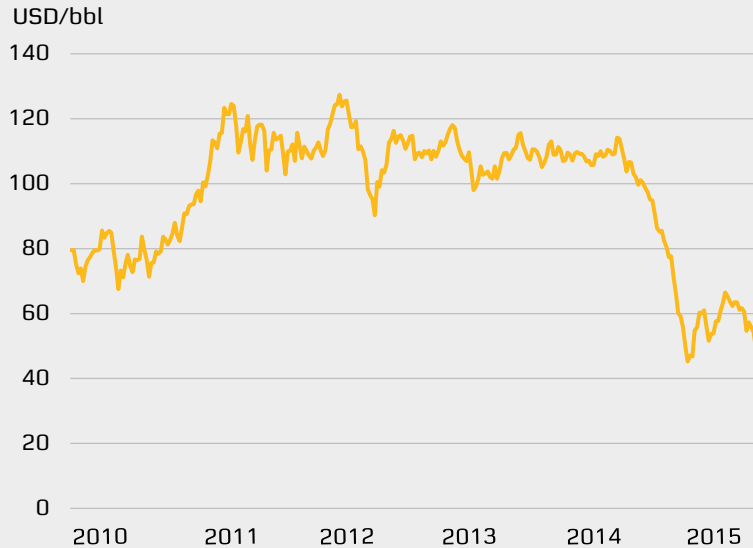


AGENDA

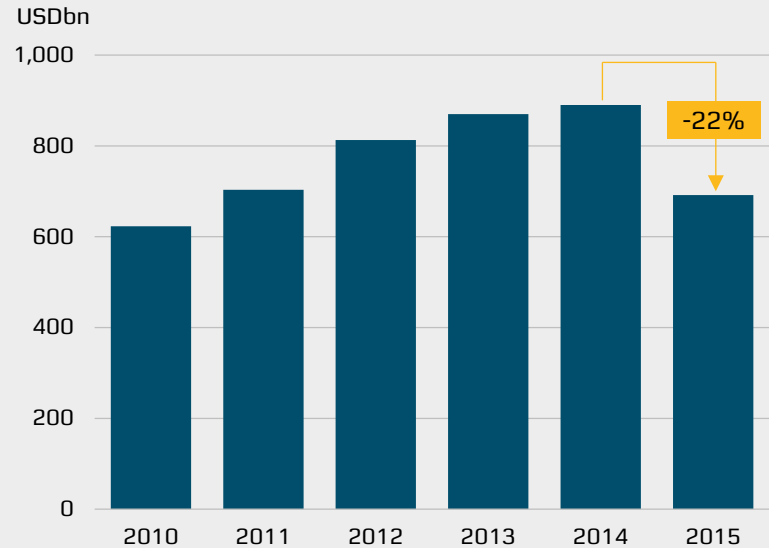
1. Market
 2. Maersk Drilling position
 3. Financials
-

Significant declines in oil prices have resulted in decreased upstream spending

Oil prices have steadily deteriorated over the past year (Brent Crude daily oil price)



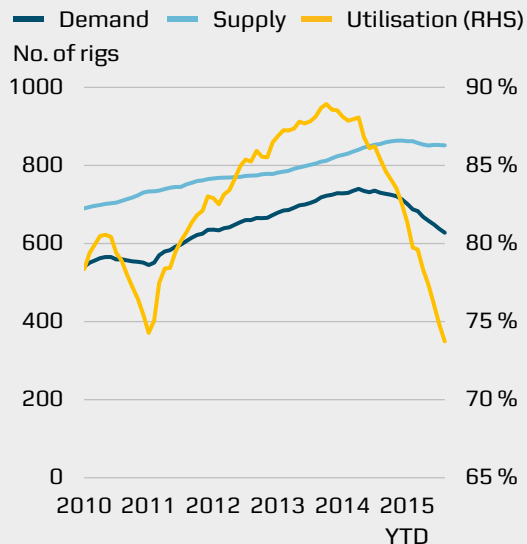
Oil companies reducing capital expenditures by USD 200 billion in 2015



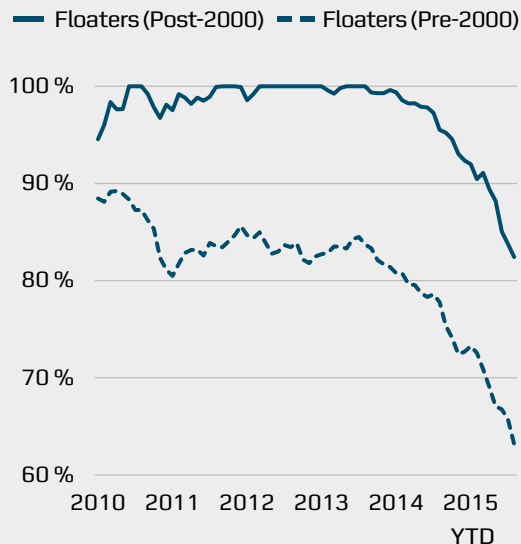
Note: Capital expenditures include all exploration, development, drilling and operational costs
Source: Thomson Reuters Datastream, Rystad Energy, Maersk Drilling

Decreased spending has reduced rig demand, resulting in lower utilisation levels while modern rigs retain competitive advantage

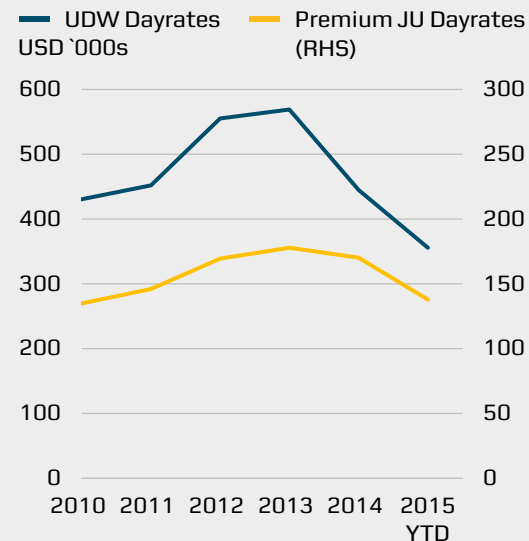
Global rig utilisation decreasing as supply outpaces demand



Continued bifurcation in utilisation between rigs delivered before and after the year 2000



Dayrates decline as a reaction to the supply-demand imbalance



Source: IHS Petrodata, Maersk Drilling



WELL POSITIONED IN A CHALLENGED MARKET

- Modern state-of-the-art rig fleet
- Industry leading operational and safety performance
- Effective progression on cost savings programme
- Strong relationships with high quality customers in key markets
- Solid revenue backlog of USD 5.6bn providing earnings visibility

A modern state-of-the-art rig fleet offers true competitive advantage during adverse market conditions

FLOATERS



Maersk Voyager (2015)
 Maersk Valiant (2014)
 Maersk Venturer (2014)
 Maersk Viking (2014)
 Mærsk Deliverer (2010)
 Maersk Discoverer (2009)
 Mærsk Developer (2008)
 Heydar Aliyev (2003)

Median Age

3 Years

JACKUPS



Maersk XL Enhanced 4 (2016)
 Maersk Integrator (2015)
 Maersk Interceptor (2014)
 Maersk Intrepid (2014)
 Maersk Reacher (2009)
 Maersk Resolve (2009)
 Maersk Resilient (2008)
 Maersk Resolute (2008)
 Maersk Convincer (2008)
 Maersk Completer (2007)
 Mærsk Inspirer (2004)
 Mærsk Innovator (2002)
 Mærsk Gallant (1993)
 Mærsk Giant (1986)
 Maersk Guardian (1986)

Median Age

7 Years

FINANCIAL INVESTMENT



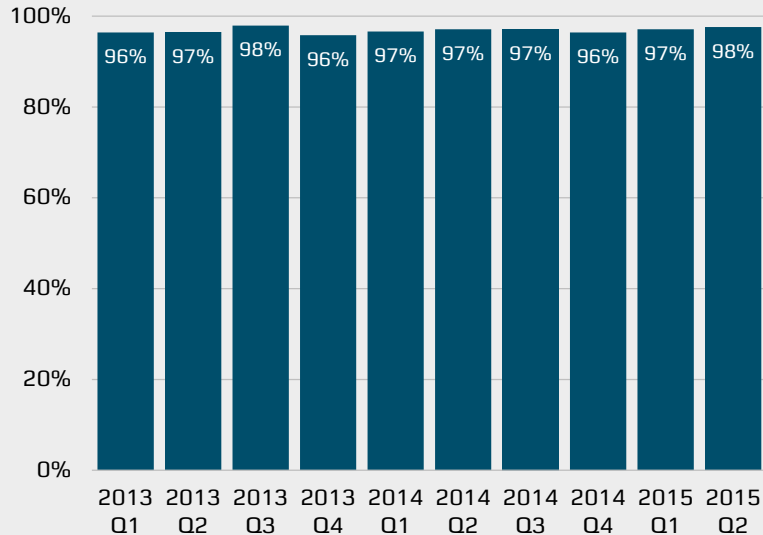
Egyptian Drilling Company (EDC)
 (50/50 Joint Venture)

Onshore rigs: 62

Offshore rigs: 4

Solid performance with excellent consistency in high operational uptime while prioritising safety first

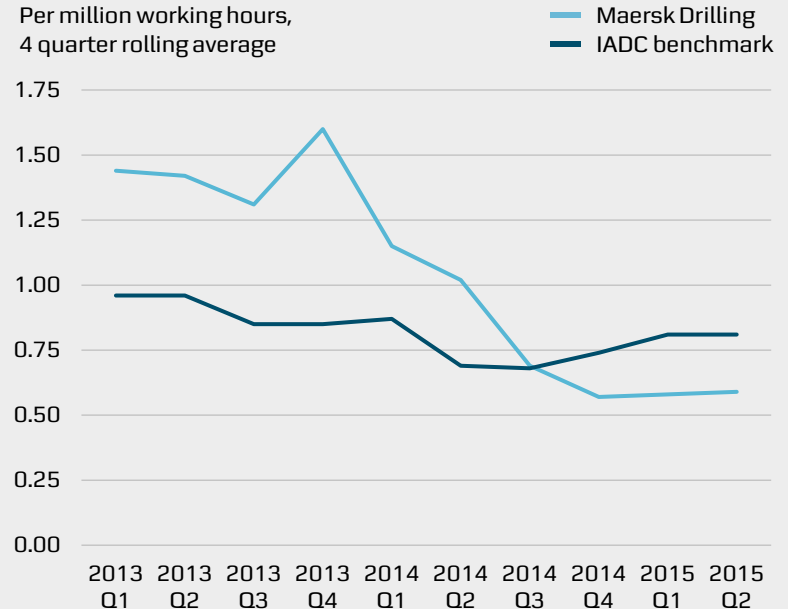
Operational uptime



Source: Maersk Drilling, IADC

Safety (Lost time incidents frequency)

Per million working hours,
4 quarter rolling average



COST SAVINGS PROGRAMME

Our commitment to enhancing resiliency already materialised in a 5% cost reduction which we expect to elevate into double digits

OPERATIONAL EXPENDITURES

Leaner maintenance & project management, procurement savings, travel expense reductions, general efficiency programmes



YARD STAYS

Optimisation of yardstays, rolling maintenance evaluation, predictive maintenance & real-time monitoring



ADMINISTRATIVE & OVERHEAD, LOCATION COSTS

Refitting the head office, expat position localisation, consultants, travel & benefits efficiencies realised



STRATEGIC APPROACH TO STACKING

Evaluate on a case-by-case basis, aggressively pursue new contracts & extensions, rigorously re-evaluate stacking cost levels



Note: 5% cost reduction excluding FX

Maersk Drilling has secured USD1.2 billion of new contracts despite global downturn & low contracting activity



MAERSK VOYAGER

Customer: Eni
Country: Ghana
Contract Value (USD): 545m
Duration: 3.5 years



MAERSK VENTURER

Customer: Otto Energy
Country: Philippines
Contract Value (USD): 7m
Duration: 23 days



HEYDAR ALIYEV

Customer: BP
Country: Azerbaijan
Contract Value (USD): 523m
Duration: 5 years



MÆRSK INNOVATOR

Customer: ConocoPhillips
Country: Norway
Contract Value (USD): 142m
Duration: 16 months



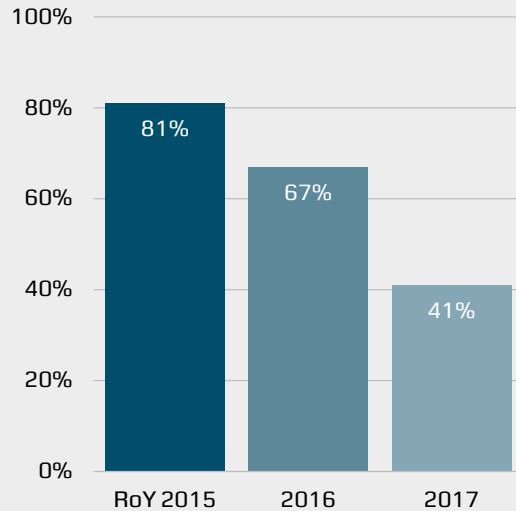
MÆRSK GIANT

Customer: DONG Energy
Country: Denmark
Contract Value (USD): 16m
Duration: 150 days

Source: Maersk Drilling

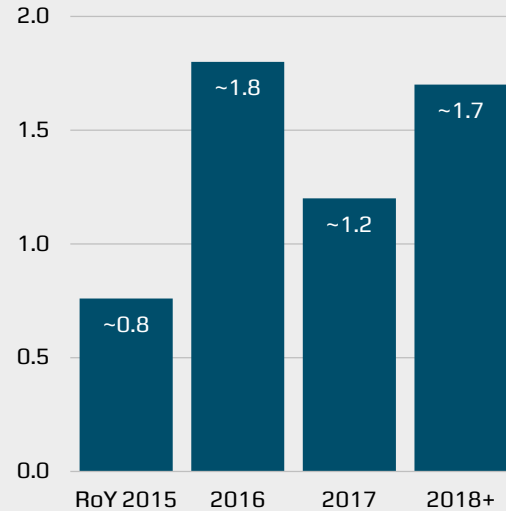
Strong forward coverage with backlog providing revenue visibility

Contract coverage

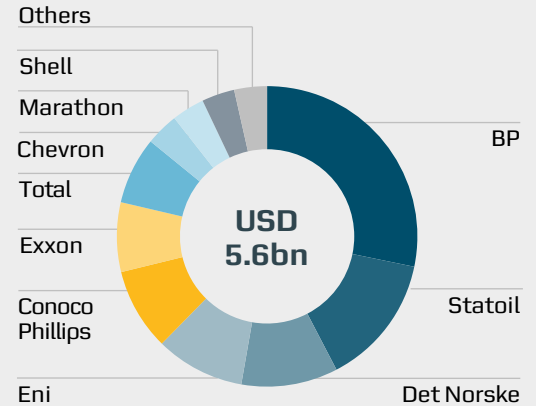


Note: As per end of August 2015
Source: Maersk Drilling

Revenue backlog, USDbn



Revenue backlog by customer



OTHER EXECUTION HIGHLIGHTS

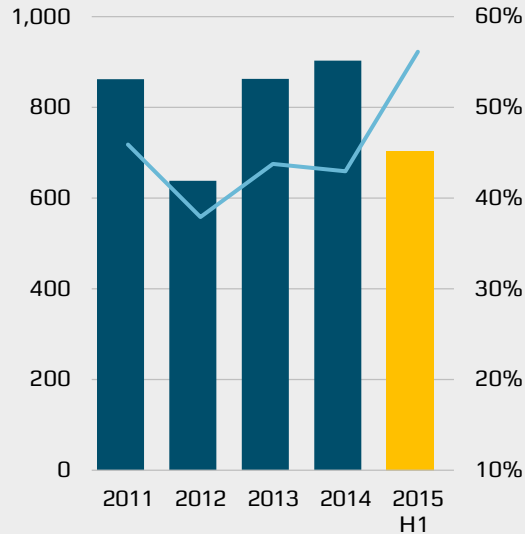
- ✓ Delivery and start-up of newbuilds on time and budget
- ✓ Successful completion of comprehensive yard stay programme
- ✓ Divestment of Venezuelan barge operations
- ✓ Decommissioning & recycling of oldest rig (Maersk Endurer)



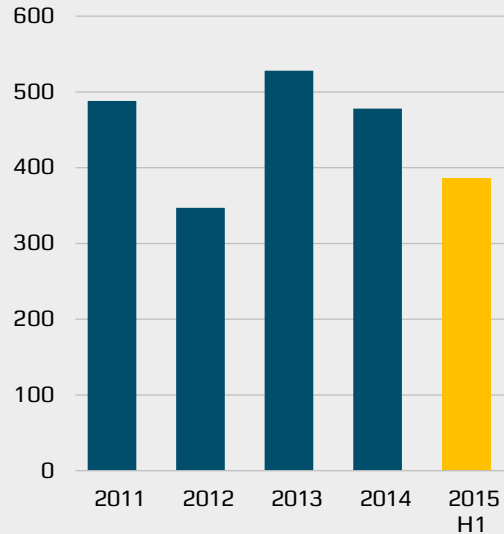
Delivering top quartile performance while growing rig fleet & financial results

EBITDA, USDm

■ EBITDA — EBITDA margin (RHS)

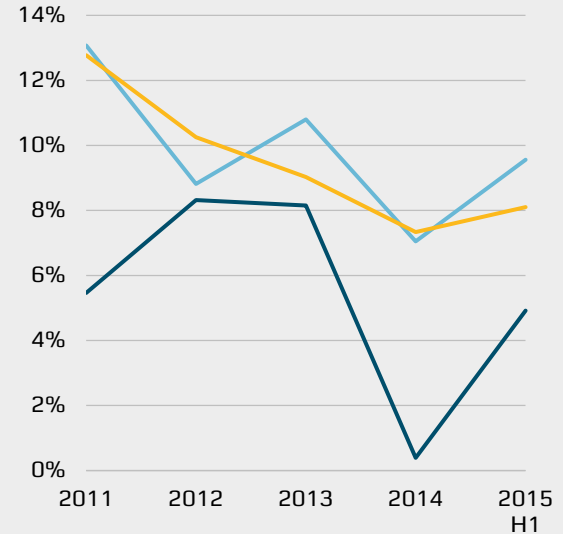


NOPAT, USDm



ROIC

— Maersk Drilling — Top Quartile (Peer group)
— Average (Peer group)



Source: Company Reports, Maersk Drilling

STRATEGY

- Target a return on invested capital (ROIC) above 10% over the business cycle
- Maintain core focus on ultra-deepwater & harsh-environment market segments
- Target reduction of expenditures via cost savings initiatives
- Optimise operational efficiency performance
- Evaluate growth opportunities consistent with our core strategic focus



Thank you

