



Company presentation – Mærsk Gallant site visit

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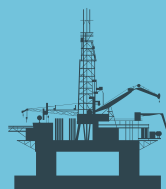
Maersk Drilling at a glance

Founded
1972



4,000
employees

Rig fleet (existing and newbuilds)
19+5



Invested capital in 2013 (USDm)
5,320

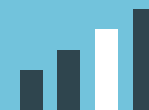


Revenue in 2013 (USDm)
1,972



863
EBITDA in 2013 (USDm)

NOPAT in 2013 (USDm)
528



ROIC in 2013
10.8



Agenda

Q1 2014 highlights

Special topic: Yard stays

Market

Strategy

Q & A

Q1 2014 Highlights

- Profit decreased to USD 116m (USD 146m), mainly due to three rigs on planned yard stays and start-up for new rigs entering the fleet
- Operational uptime remained high at 97% (96%)
- Maersk Drilling forward coverage is 93% for 2014 and 70% for 2015. Revenue backlog increased to USD 7.4bn (USD 6.5bn)
- Major contracts signed in Q1 2014:
 - Four year contract for jack-up Maersk Completer. Est. revenue USD 238m
 - A two year contract extension for the jack-up rig Maersk Reacher. Est. revenue USD 225m
- Delivery of the first ultra deepwater drillship (Maersk Viking) and the first newbuild ultra harsh environment jack-up rig (Maersk Intrepid)

Financial Highlights (USDm, first quarter)

Highlights

Q1 2014 Q1 2013

Revenue	477	480
Profit/loss before depreciation, amortisation and impairment losses etc. (EBITDA)	176	238
Depreciation, amortisation, and impairment losses	59	59
Gain on sale of non-current assets, etc., net	9	-
Share of profit/loss in joint ventures	3	1
Profit/loss before financial items (EBIT)	129	180
Tax	13	34
Net operating profit/loss after tax (NOPAT)	116	146

Invested capital	6,204	4,692
ROIC	8.1%	13.0%
ROIC excl. assets under construction	15.0%	17.2%
Operational uptime	97%	96%

Subsequent events Q2 2014

- The first ultra harsh environment rig (Maersk Intrepid) arrived in Norway
- Maersk Drilling took delivery of second ultra deepwater drillship (Maersk Valiant) in April
- Mærsk Gallant and Maersk Discoverer yard stays commenced in May

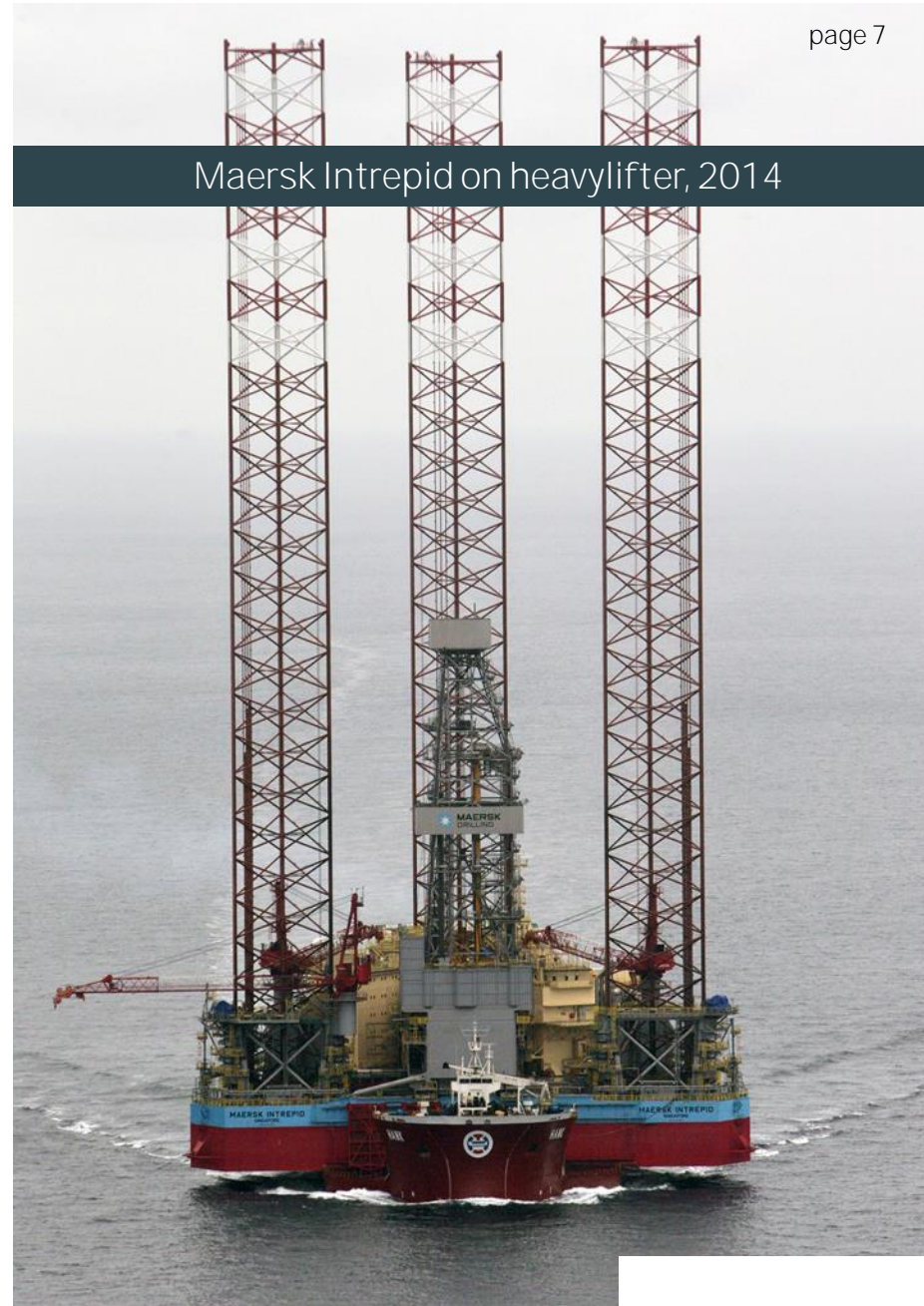
Maersk Intrepid arrival in Norway, 2014



Priorities for execution in 2014

- Take delivery and commence operation of the six newbuild rigs without further delay
- Manage extensive yard stay programme
- Secure contracts for the third (Maersk Venturer) and fourth drillship (DS 4) under construction with expected delivery in 2H 2014

Maersk Intrepid on heavylifter, 2014



FY 2014 outlook

- For 2014 Maersk Drilling continues to expect a result below the result for 2013 (USD 528m) due to planned yard stays and high costs associated with training and start-up of operation of six new rigs
- On track towards the financial ambition of delivering a NOPAT of USD 1bn to the A.P. Moller – Maersk Group in 2018



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Extensive yard stay programme in 2014

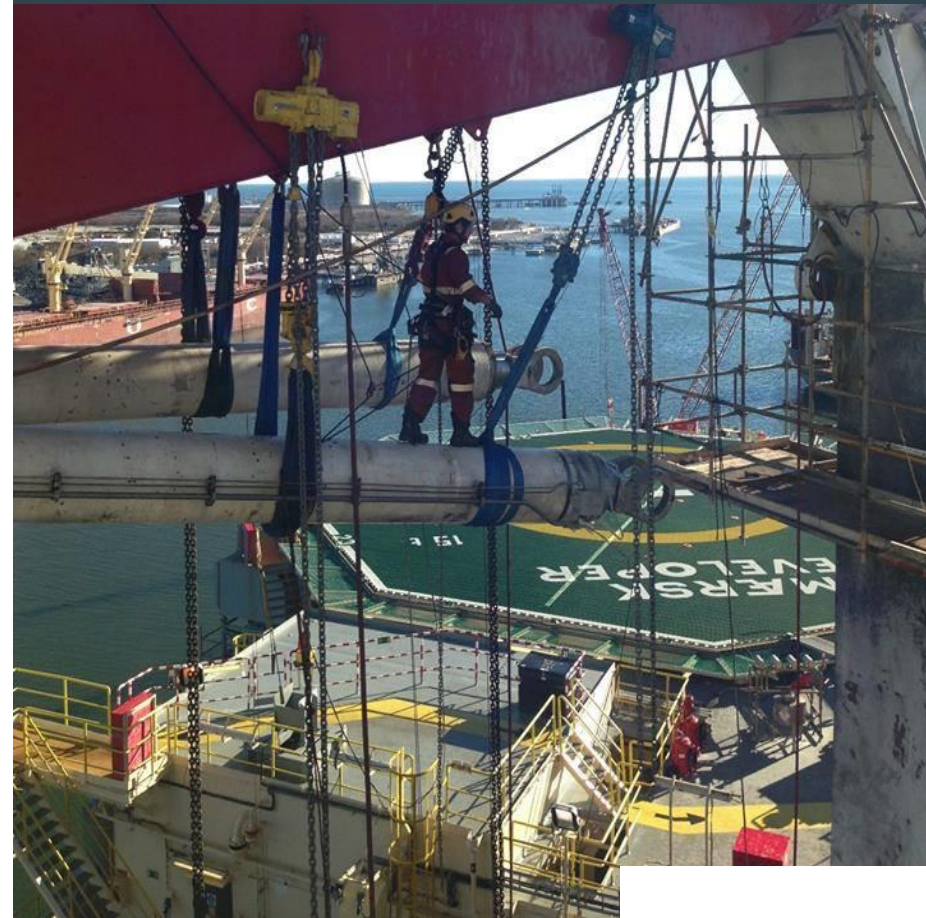
2014 Yard stays

Heydar Aliyev*	Q4 2013	5 year class renewal + upgrade
Mærsk Developer*	Q4 2013	5 year class renewal
Maersk Resolve	Q1 2014	5 year class renewal
Mærsk Gallant	Q2 2014	5 year class renewal + life time extension
Maersk Discoverer	Q2 2014	5 year class renewal
Maersk Reacher	Q2 2014	5 year class renewal
Mærsk Inspirer	Q2 2014	5 year class renewal

Note: *Commenced in 2013

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Maersk Developer yard stay in Pascagoula, US



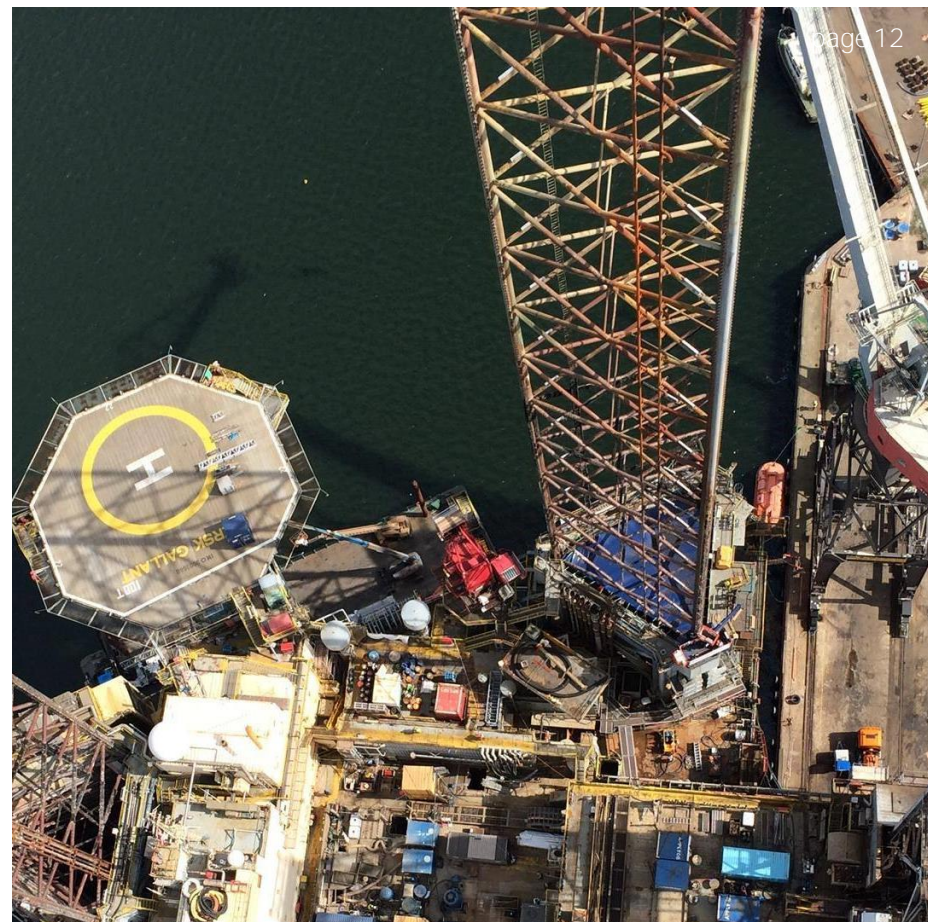
What is a yard stay?

Purposes	<ul style="list-style-type: none">• 5 –year class renewal• Maintenance• Upgrade• Life time extensions
Duration	<ul style="list-style-type: none">• 14-100 days
Cost	<ul style="list-style-type: none">• USD 5m – 100m+

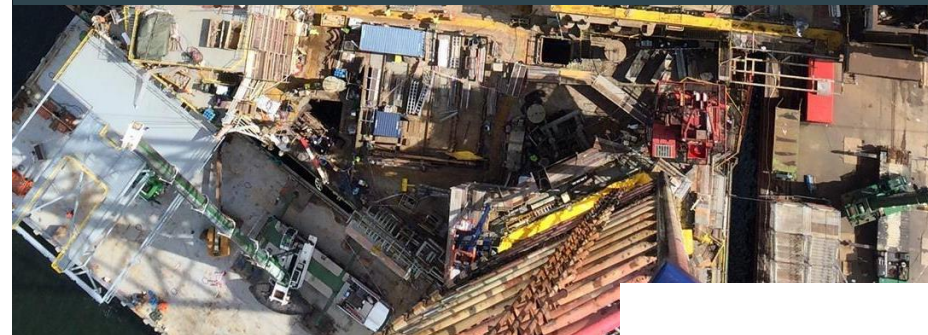


Mærsk Gallant yard stay

Purpose	<ul style="list-style-type: none">• 5-year class renewal• 10-year life time extension
Duration	<ul style="list-style-type: none">• Est. 74 days
Cost	<ul style="list-style-type: none">• USD 100m
Scope	<ul style="list-style-type: none">• New PS Crane• New Driller's Cabin• New DG no. 6• Increase POB to 120 including new Life boats• Galley/mess room upgrade• New Client office• Painting in legs• New Mud Cubes• Major overhaul of Jacking Control System• Overhaul of drilling machinery



Mærsk Gallant yard stay at Fayard 2014



Maersk Resolve yard stay

Purpose	<ul style="list-style-type: none">• 5-year class renewal• Equipment upgrade• Contractual upgrade
Duration	<ul style="list-style-type: none">• 40 days
Cost	<ul style="list-style-type: none">• USD35m
Scope	<ul style="list-style-type: none">• Pipe Modification• De-commissioning of existing shale shakers• Installation of Mud Cubes• Overhaul of drilling equipment• Exchange of gear boxes for draw work, lifting equipment• Recertification of well control equipment incl. exchange of BOP



Maersk Resolve at yard



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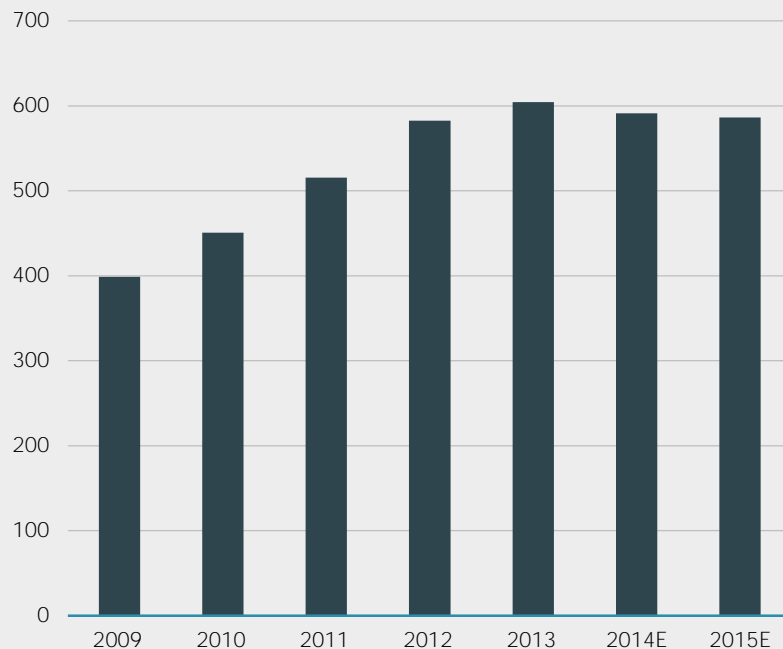
Market

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Capital discipline impacting exploration and development spending and consequently rig demand in the short term

Actual and planned upstream oil and gas capital spending, USDbn

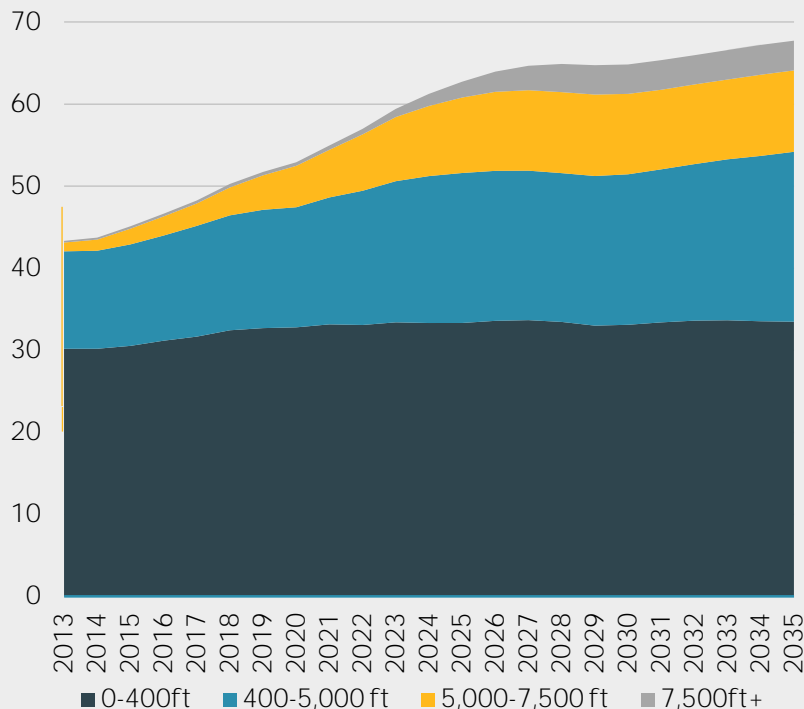


Note: Future development capital expenditure in USD2013 real terms
Source: Wood Mackenzie, Maersk Drilling

- Restrained capital spending due to capital discipline among oil companies
- Postponement of exploration and development programmes adversely impacting the short term demand for rigs
- Projects are being postponed, not cancelled
- As oil companies are re-engineering their projects, we see renewed tender activity

Longer term fundamentals for the deepwater market remain intact

Offshore oil & gas production, mboe/day

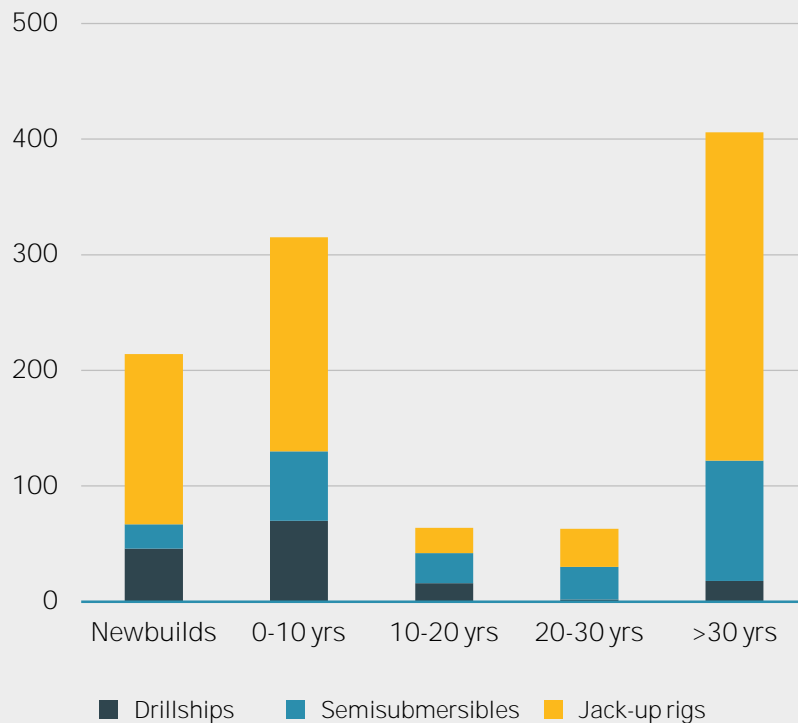


Source: Rystad Energy, Maersk Drilling

- Growing demand for oil and gas
- Replacement of production from existing oil and gas fields
- In addition to unconventional, offshore, and particularly deepwater and ultra deepwater resources, are needed to meet growing demand and offset decline in production from current producing fields
- Deepwater well positioned on the oil supply curve

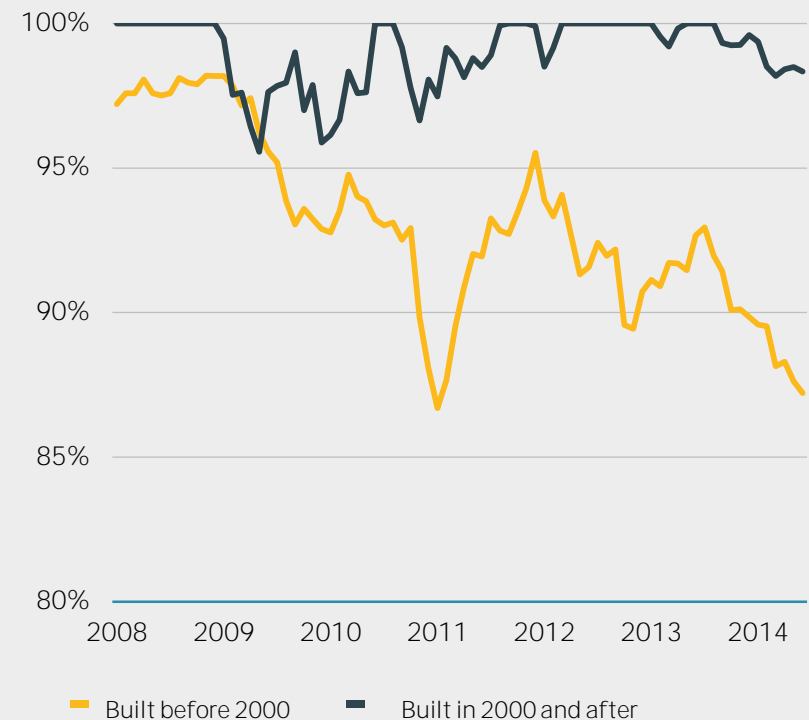
Ageing rig fleet needs replacement and clear evidence of dayrate and utilisation bifurcation in the market

Global rig fleet age profile, no. of rigs



Note: excludes 30 floaters for Brazil
Source: IHS-Petrodata, Maersk Drilling

Floater utilisation



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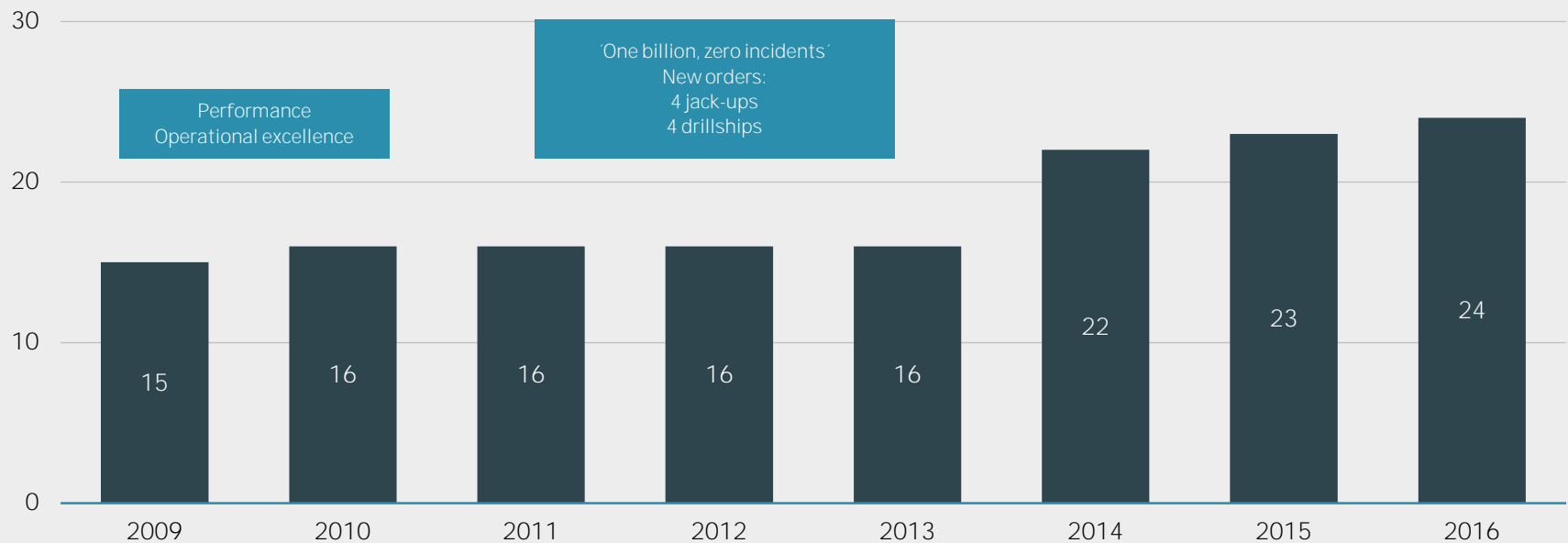
- Deliver on the financial ambition of Net Operating Profit After Tax (NOPAT) of USD 1bn in 2018 (ROIC >10%)
- Conduct incident free operation
- Become a sizeable player in the market
- Grow the business within the ultra deepwater and harsh environment segments
- Leverage market leading position in Norway and build ultra deepwater positions in the US Gulf of Mexico and West Africa

‘One billion, zero incident’ strategy



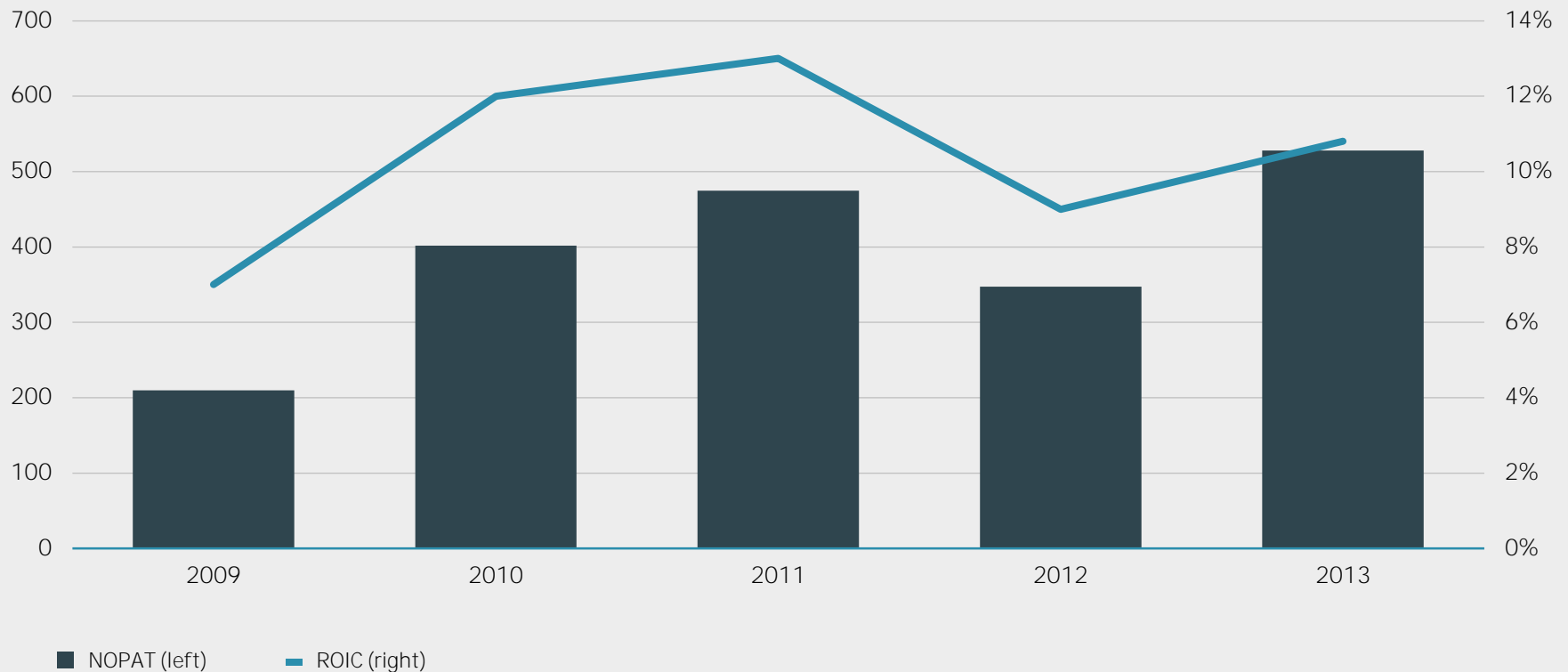
Rig fleet development 2009-2016

Maersk Drilling fleet, number of rigs



Since 2009 Maersk Drilling has more than doubled profit while delivering an average ROIC of 10%

Segment result, USDm (left) and ROIC, percentage (right)



Investing USD 5.2bn in the most attractive segments to deliver on the USD 1bn NOPAT aspiration by 2018

Ultra harsh environment jack-up rigs



Maersk Intrepid

- Customer: Total E&P Norge AS
- Country: Norway
- Contract value: USD 550 million
- Duration: 4 years



XL Enhanced 2

- Customer: Det norske Oljeselskab
- Country: Norway
- Contract value: USD 700 million
- Duration: 5 years



XL Enhanced 3

- Customer: Statoil
- Country: Norway
- Contract value: USD 620 million
- Duration: 4 years



XL Enhanced 4

- Customer: BP
- Country: Norway
- Contract value: USD 812 million
- Duration: 5 years

Ultra deepwater drillships



Maersk Viking

- Customer: ExxonMobil
- Country: US GoM
- Contract value: USD 610 million
- Duration: 3 years



Maersk Valiant

- Customer: ConocoPhillips/Marathon Oil
- Country: US GoM
- Contract value: USD 694 million
- Duration: 3 years



Maersk Venturer

- Uncontracted

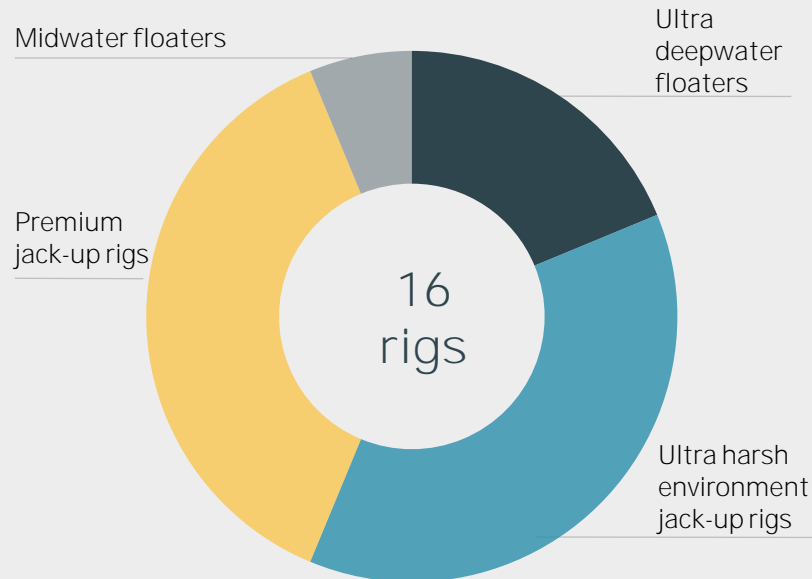


Deepwater Advanced 4

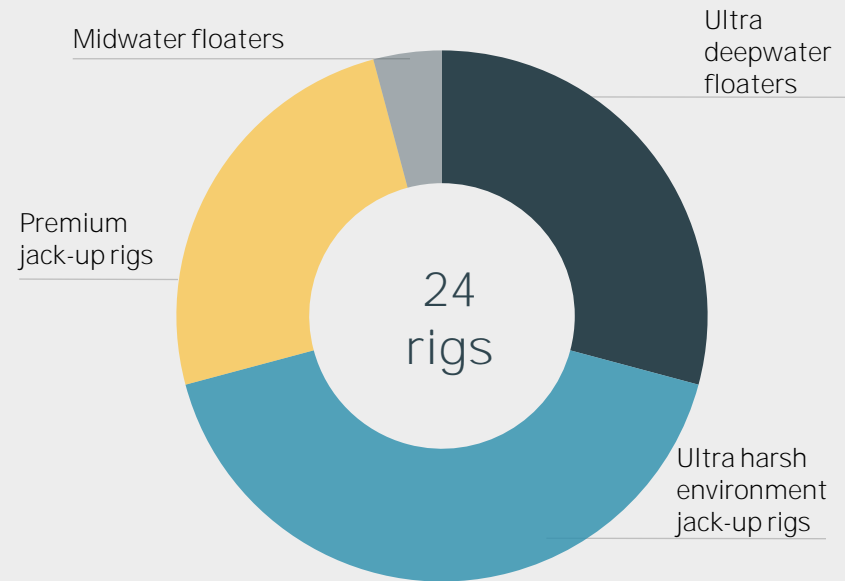
- Uncontracted

With the investments we increase our exposure to the most attractive rig segments

Maersk Drilling fleet 2011

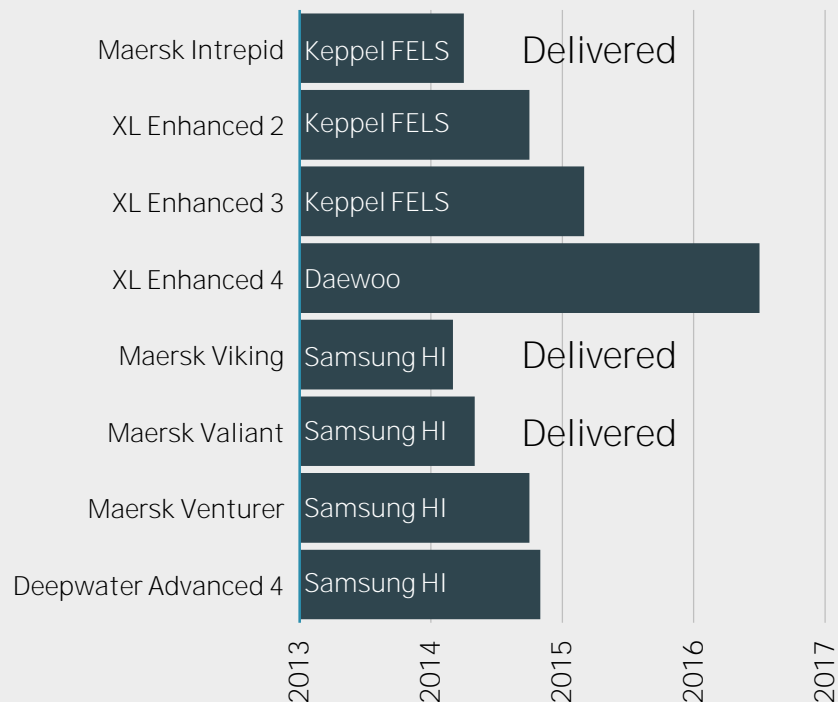


Maersk Drilling fleet 2016E



Maersk Drilling newbuild delivery status

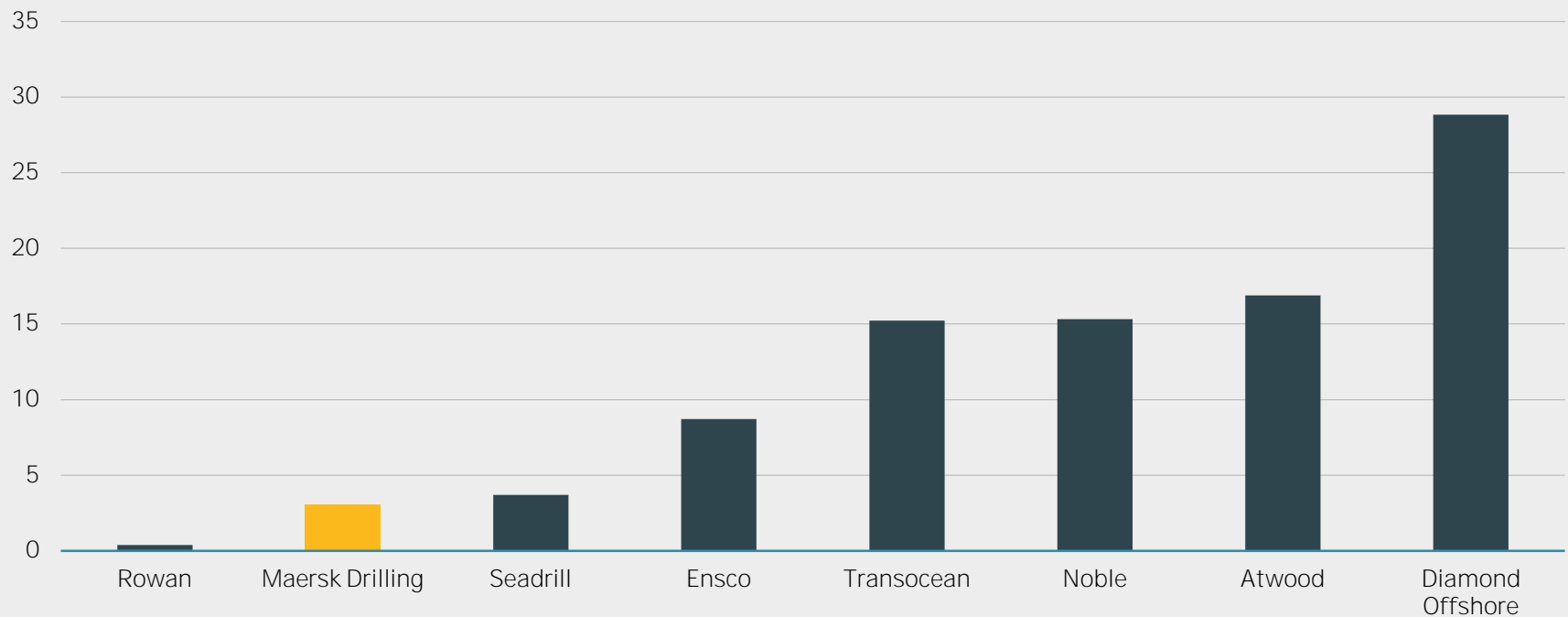
Expected delivery schedule



Maersk Intrepid under construction at Keppel FELS

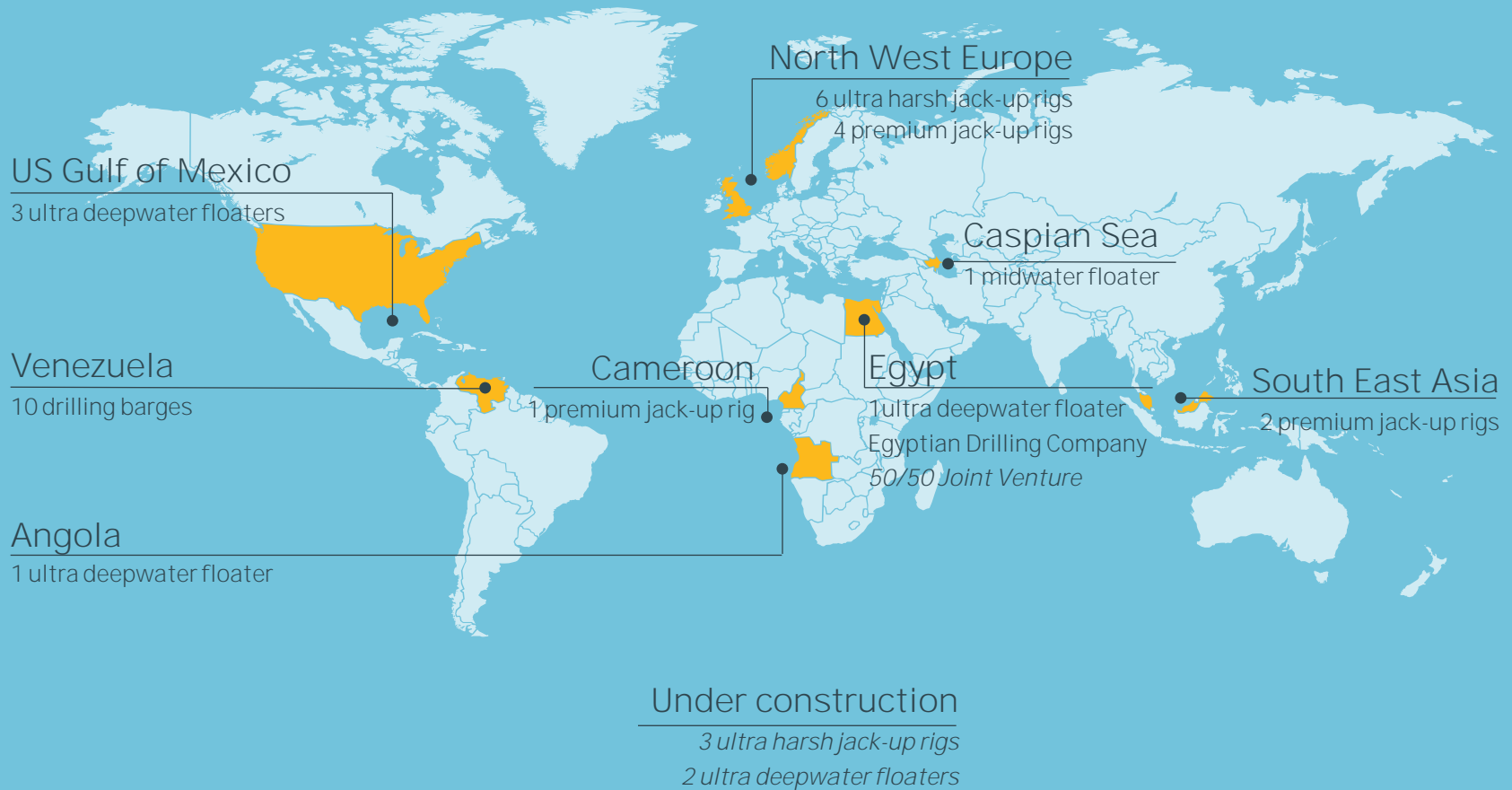
Maersk Drilling has one of the most modern fleets in the competitive landscape

Deepwater fleet average age, years



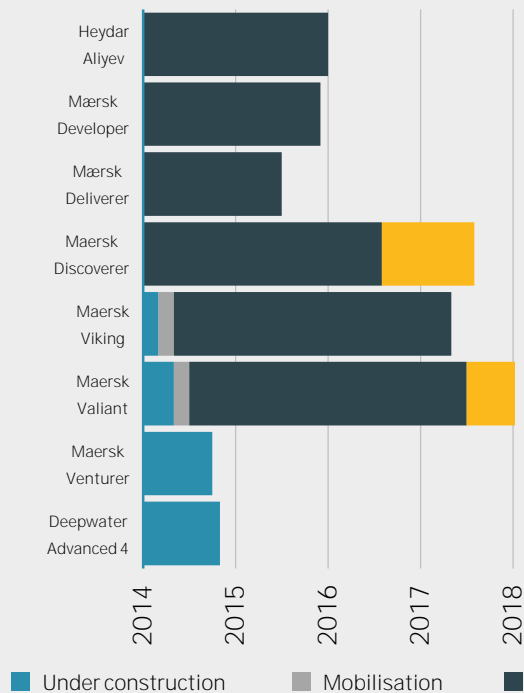
Note: Deepwater rigs can drill in water depths >5,000ft
Source: IHS-Petrodata, Maersk Drilling

Present in the most important oil and gas markets

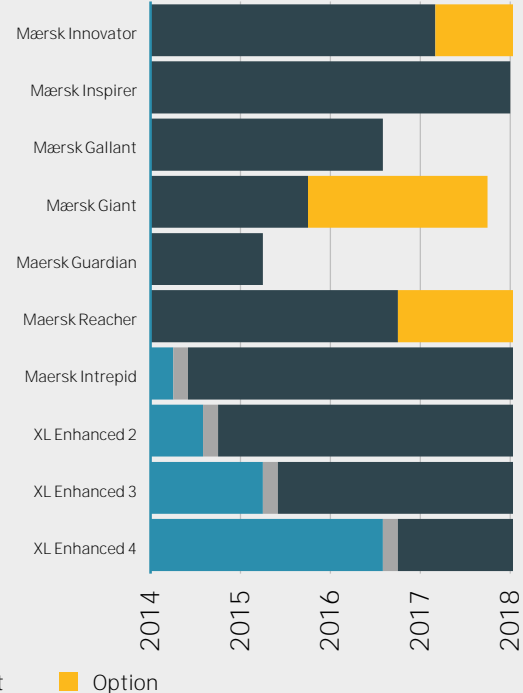


Fleet status overview

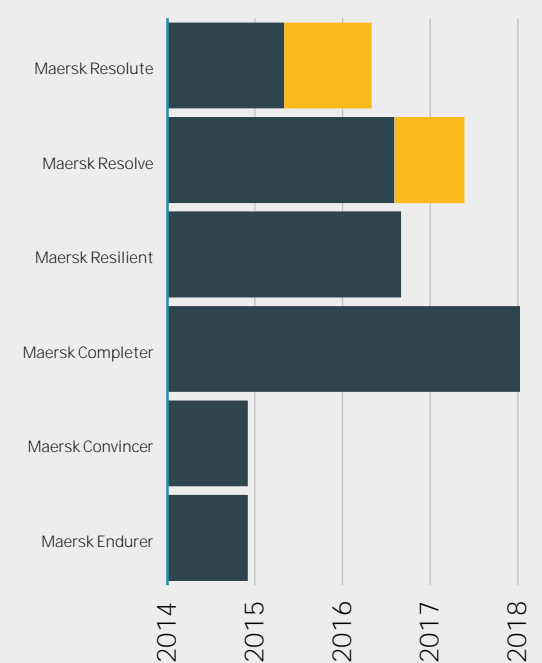
Ultra deepwater rigs



Ultra harsh environment jack-up rigs



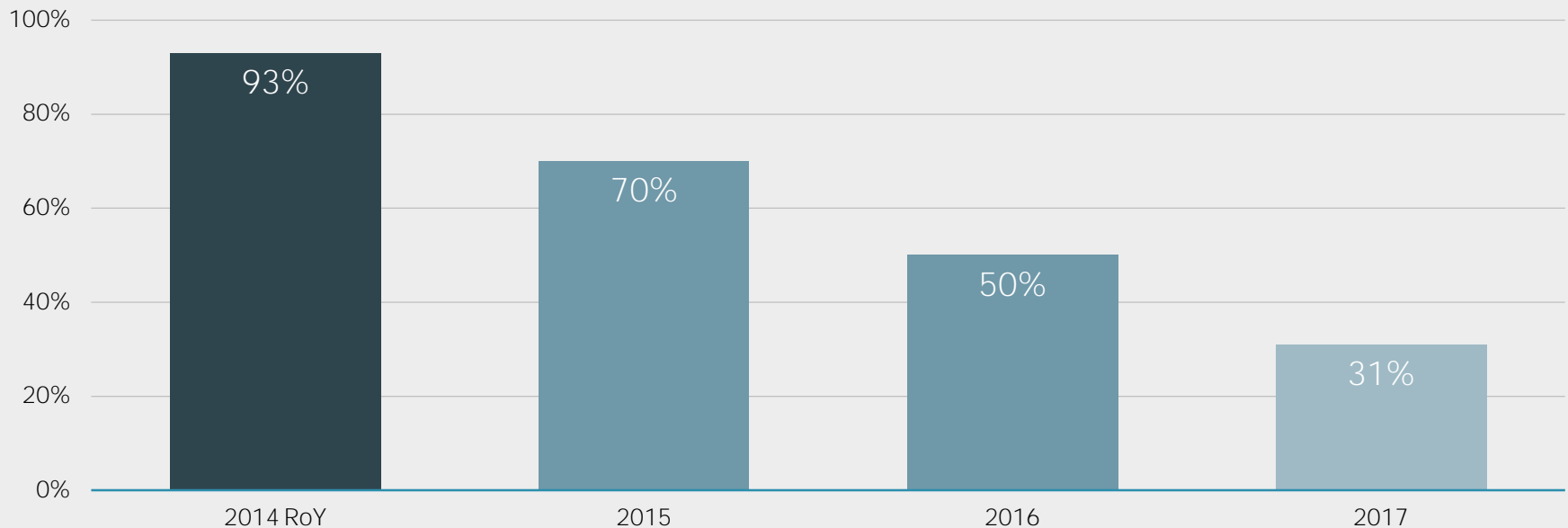
Harsh environment jack-up rigs



Details available at www.maerskdrilling.com

High forward contract coverage reflecting solid demand for Maersk Drilling's high end assets

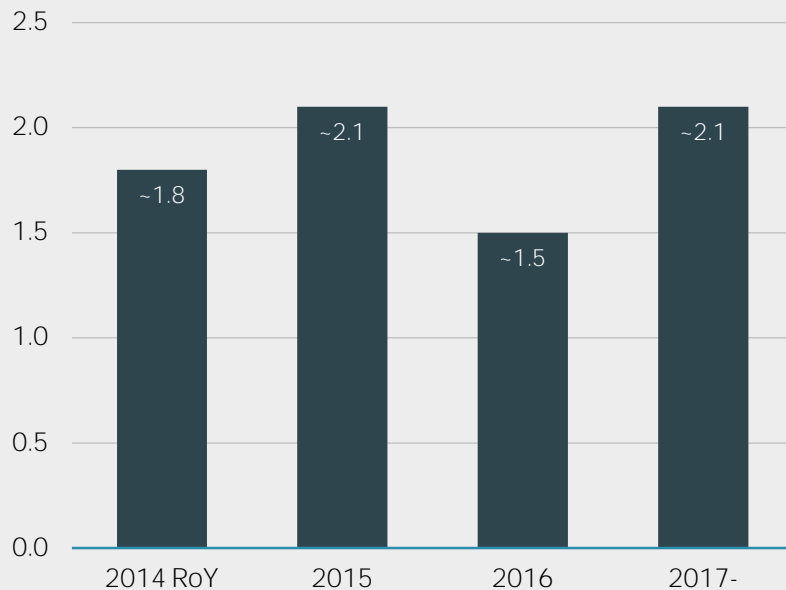
Maersk Drilling forward contract coverage



Note: As per end Q1 2014
Note: Options not included

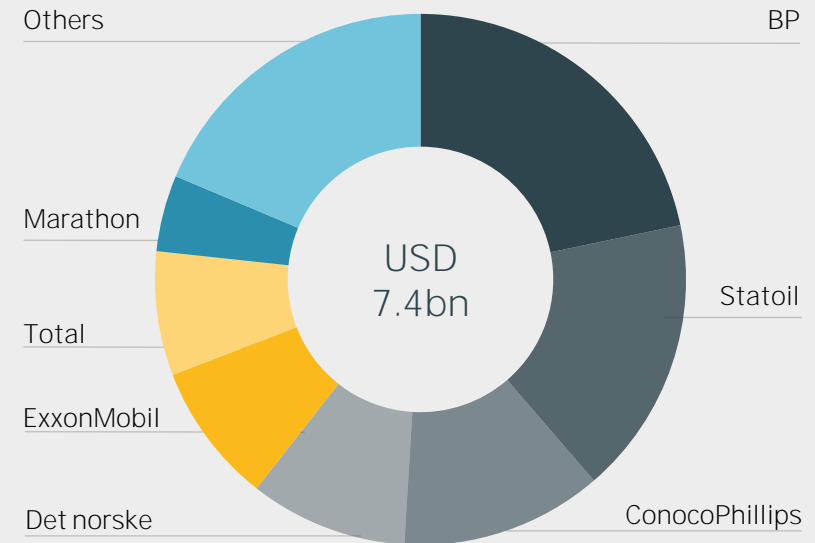
Revenue backlog of USD 7.4bn with quality customers provides strong revenue visibility

Revenue backlog, end Q1 2014, USDbn



Note: Annual revenue backlog figures reflect upcoming yard stays

Revenue backlog by customer, end Q1 2014



Partnership agreement with BP signed in 2013

- In 2013, Maersk Drilling signed a partnership agreement with BP to develop conceptual engineering designs for a new breed of advanced technology offshore drilling rigs
- 20K rigs will be critical to unlock the next frontier of deepwater oil and gas resources
- 20K rigs will be designed to operate in high pressure and high temperature reservoirs (20,000 psi and 350°F)
- BP estimates that application of this technology across its own global portfolio alone could potentially access an additional 10-20 billion barrels of resources



Final remarks

- Growing business in the most attractive rig segments (harsh environment and ultra deepwater)
- Building position in US GoM and leveraging strong position in Norway
- Having a modern fleet
- Building a strong contract backlog providing high degree of revenue visibility
- Managing the newbuild and yard stay programme
- Delivering strong operational performance
- On track towards NOPAT of USD 1bn (ROIC>10%) and zero incidents in 2018



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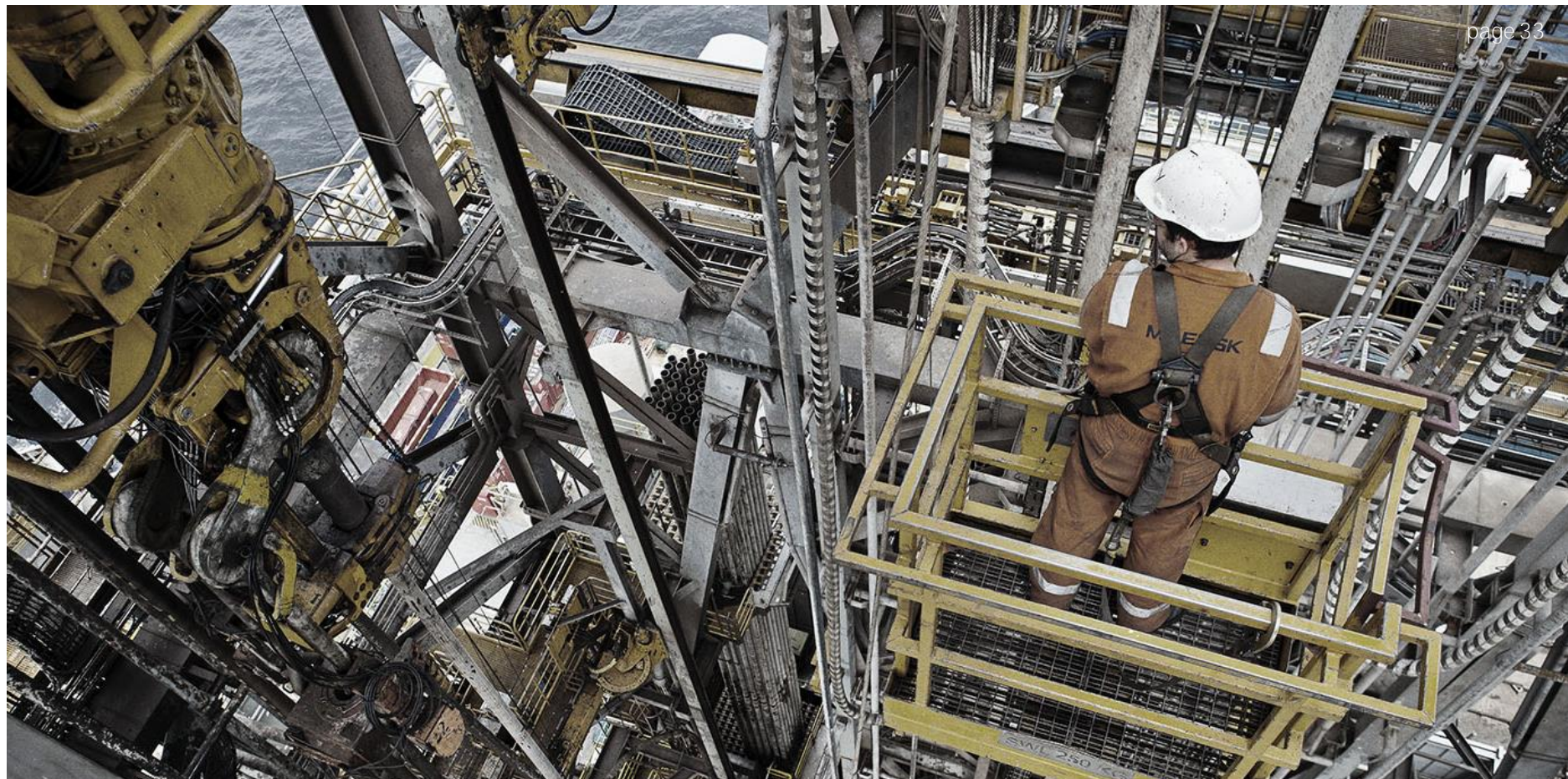
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Maersk Drilling – Moving boundaries within offshore drilling

