

Conference Call – 3Q 2013 results

November 25, 2013

Seadrill

Forward Looking Statements

The statements described in this presentation that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements which could be made include, but are not limited to, statements involving prospects for the Company, expected revenues, capital expenditures, costs and results of operations and contingencies and other factors discussed in the Company's most recent annual report on the Form 20-F for the year ended December 31, 2012 and in the Company's other filings with the SEC, which are available free of charge on the SEC's website at www.sec.gov. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on our behalf are expressly qualified in their entirety by reference to these risks and uncertainties. You should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements. All non-GAAP financial measure reconciliations to the most comparative GAAP measure are displayed in quantitative schedules on the company’s web site at seadrill.com.



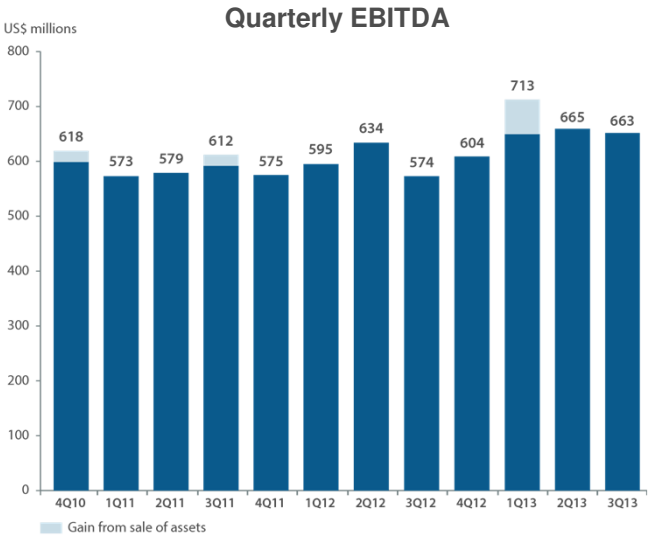
Seadrill Third Quarter Call Agenda

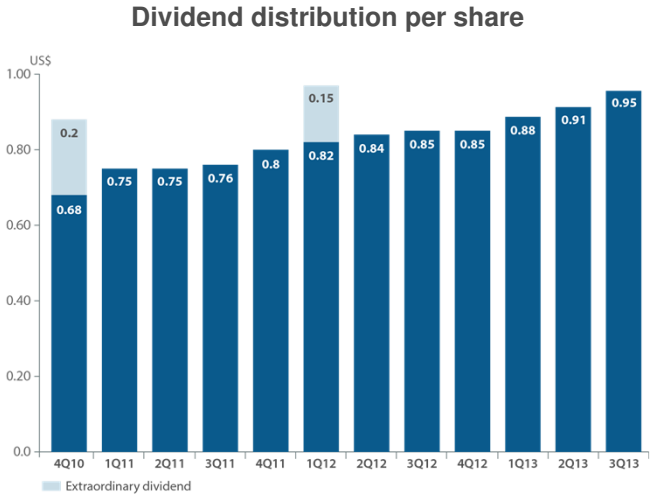
- Highlights 3Q 2013
- Market outlook
- Financial Performance Highlights
- North Atlantic Drilling
- Summary
- Appendices: Seadrill Limited and North Atlantic Drilling Financials

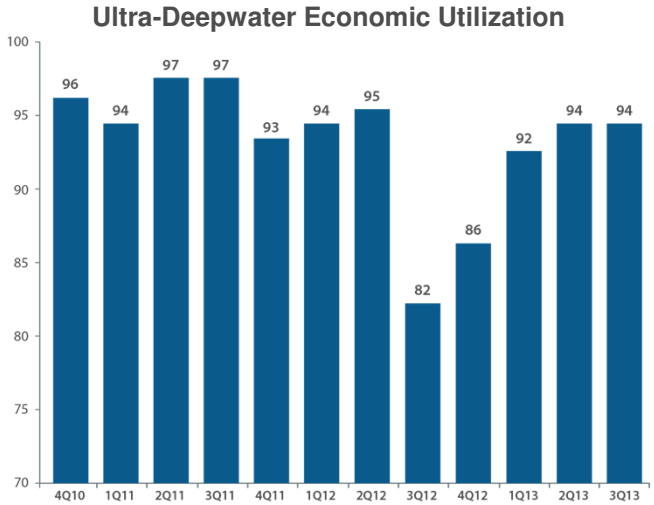


Financial Performance Highlights

- Seadrill generates EBITDA of US$663 million for the third quarter 2013
- Economic utilization for our floaters was 94 percent and 97 percent for jack-ups
- Seadrill reports third quarter 2013 net income of US$315 million and earnings per share of US$0.61
- Seadrill increases quarterly cash dividend by 4 cents to US$0.95 per share







Highlights

Third Quarter 2013

•Ordered four ultra-deepwater drillships for a total estimated project price below US$600 million per rig, with deliveries in the second half of 2015 and the first half of 2016

•Ordered two jack-ups for a total estimated project price of US$230 million per rig, with deliveries in the second and third quarters of 2016

•Reached 50.1% ownership in Sevan Drilling and launched mandatory offer for all outstanding shares

•Secured a 180 day contract for the newbuild ultra-deepwater drillship West Tellus with a total revenue potential of US$150 million

•Secured a 2.5 year contract for the jack-up rig West Freedom with a total revenue potential of US$222 million

•Secured a one year contract extension with Talisman in Malaysia for the jack-up rig West Vigilant at US$167,000 per day

•North Atlantic Drilling awarded an extension of the current drilling contract, in addition to a new drilling contract for West Navigator, securing employment to December 2014 with a total estimated revenue potential of US$98 million

•Completed placement of US$500 million unsecured senior notes

Subsequent Events

Subsequent Events

•Announced settlement agreement and 18 month contract extension for the West Aquarius with a total estimated revenue potential of US$337 million

•North Atlantic Drilling suspends partnership discussions and files for NYSE IPO

•Completed the sale of the tender rig T-16 to Seadrill Partners for a total consideration of US$200 million

•North Atlantic Drilling completes placement of NOK 1.5 billion unsecured bond issue

•Seadrill executes a one year contract extension for the West Leda at US$165,000 per day with ExxonMobil in Malaysia

•Total exercised their option to shorten the contract extension for the West Capella from 5 years to 3 years. As a result of this change in contract terms the dayrate has increased from US$580,000 per day to US$627,500 per day

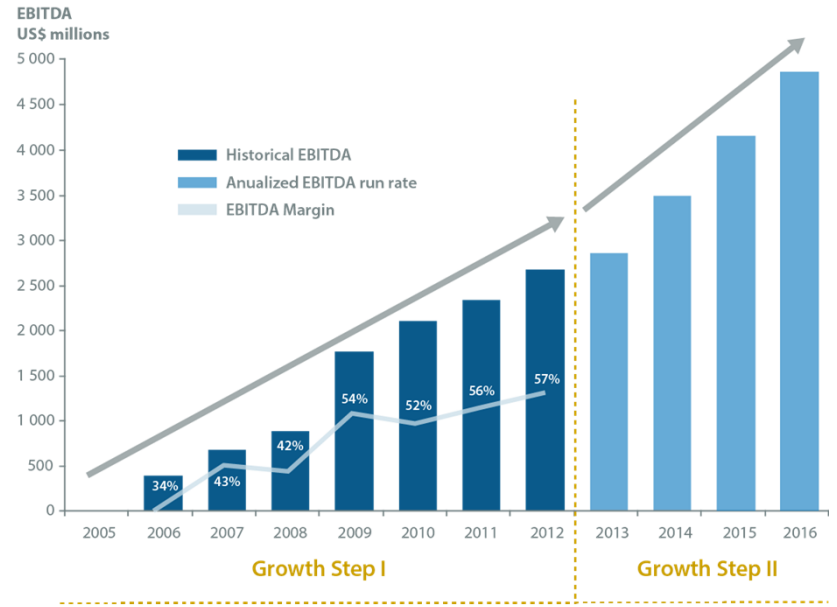
•Announced agreement to acquire newbuild high specification jack-up rig Prospector 3 for a total purchase price of US$235 million

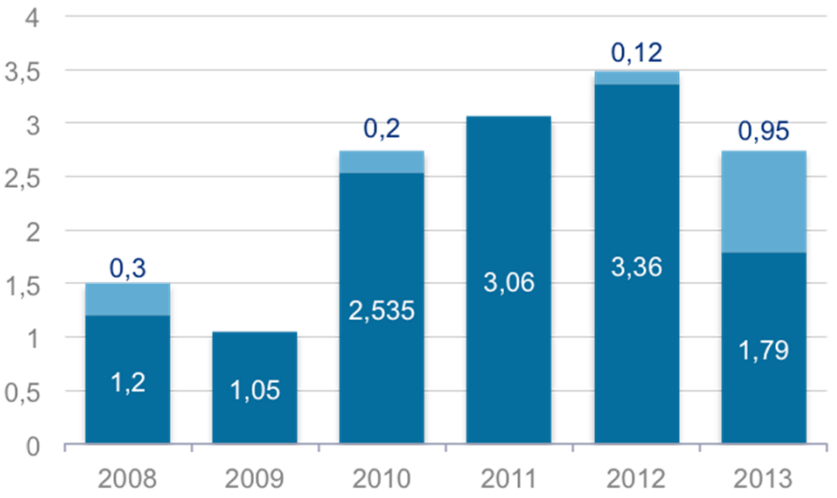
•Seadrill has guaranteed a further US$120 million to Sevan Drilling, mainly linked to the capital need created by pre-start up costs on the Sevan Louisiana, operational downtime, and maintaining the current delivery schedule for rig number 4

•Seadrill enters into a Heads of Agreement with PEMEX for 5 potential jack-up contracts beginning in the first half of 2014. Cumulative duration of the contract is more than 30 rig years with a total revenue potential in excess of US$1.8 billion

Dividend Growth Continues to be a Priority…

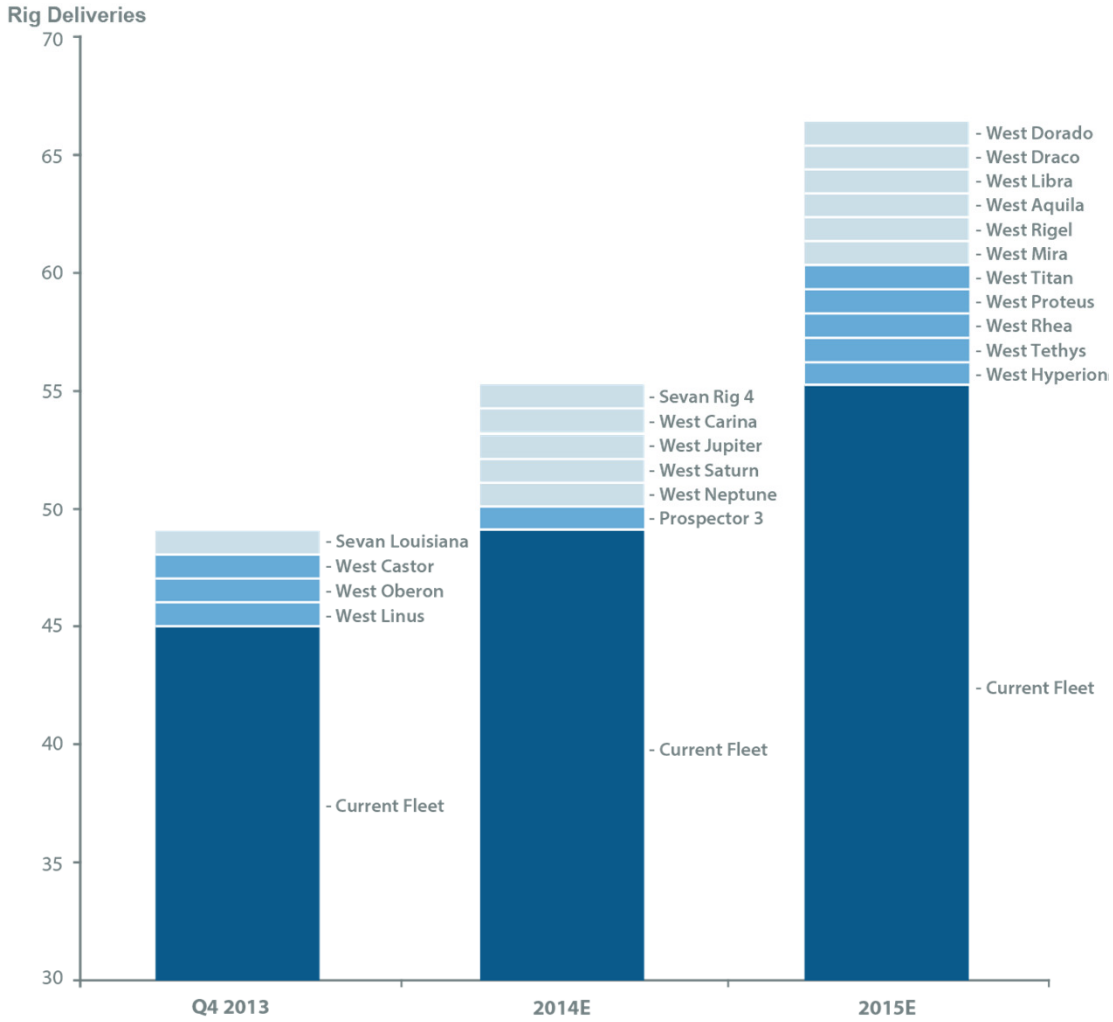
- Key objective to grow quarterly dividends
- Quarterly cash dividend raised from 91 cents to 95 cents per share
- Increase reflects improved free cash flow and newbuilds commencing operation this year
- Future dividends depend on:
  - Contract coverage
  - Capital expenditure
  - Leverage capacity
  - Future earnings





The Q1 2013 dividend was paid in Q4 2012

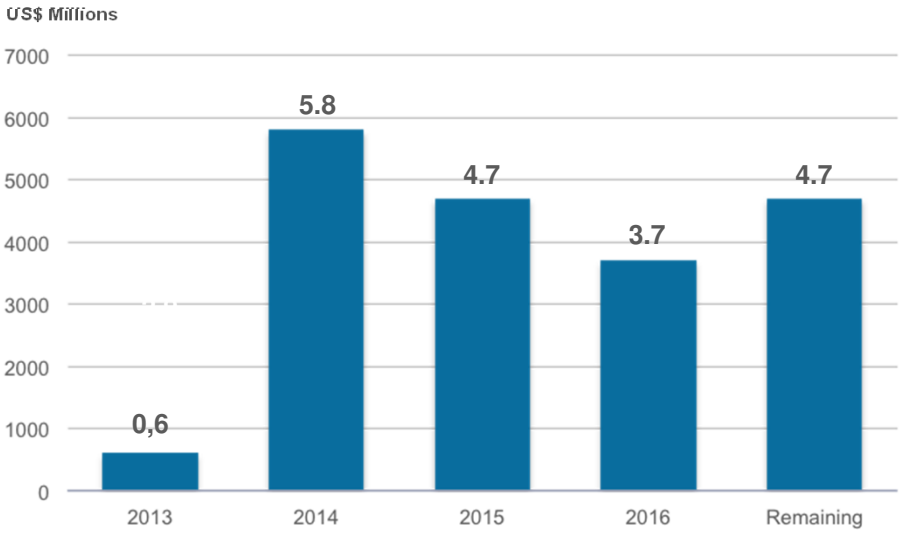
…while Maintaining Growth Profile

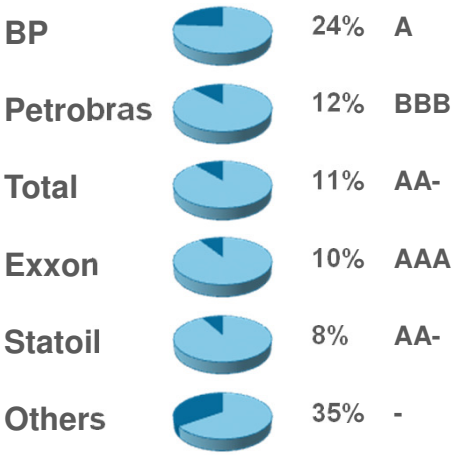


~$4.5 Billion in 2016 Annualized EBITDA

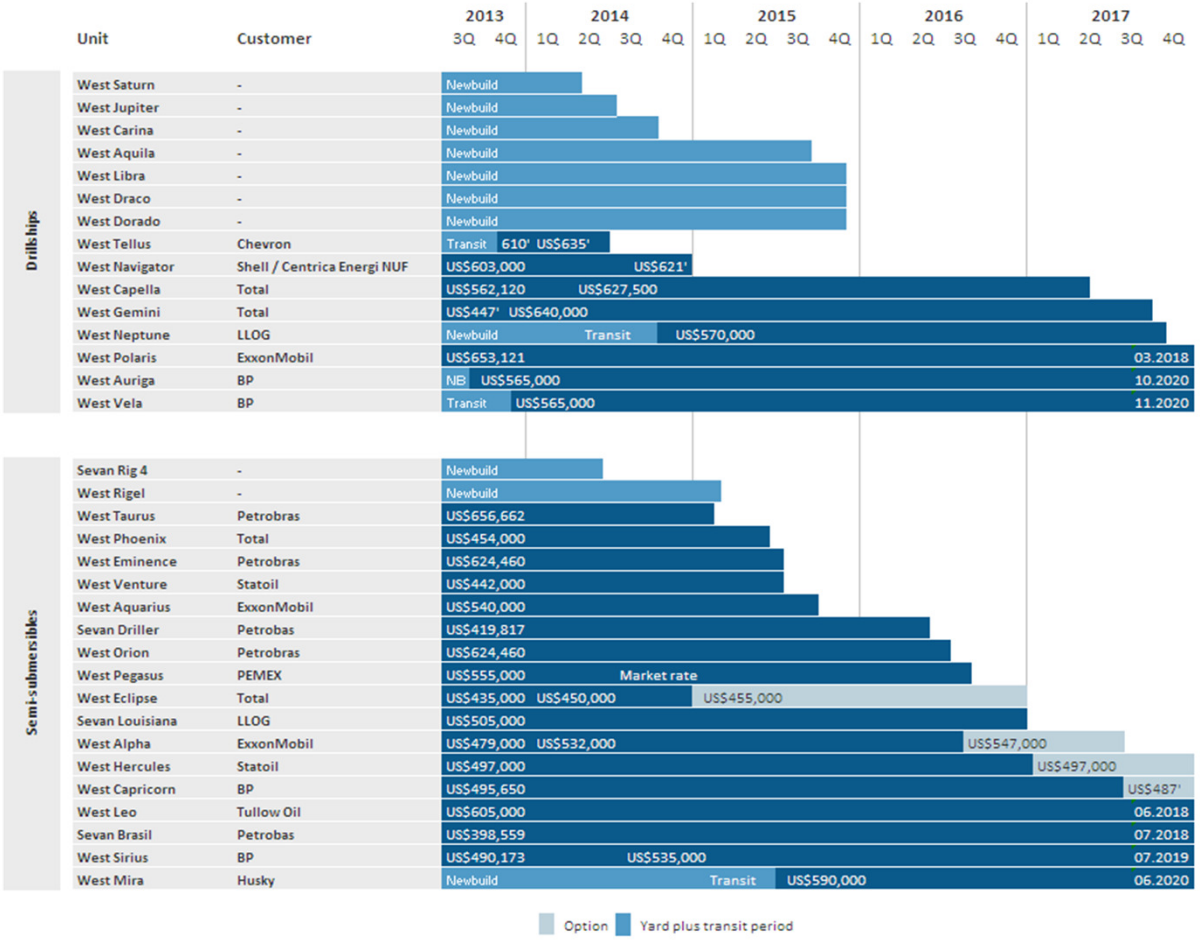
Maintain an Orderbacklog of around $20bn

Current backlog

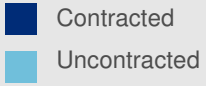


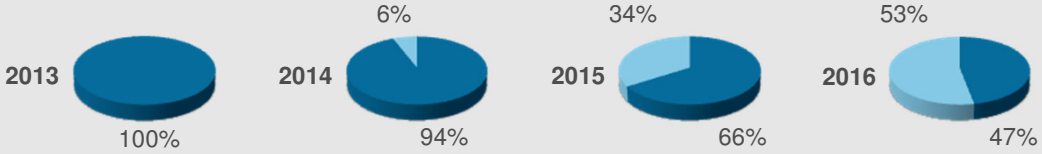


Floaters – US$16 Billion Contract Backlog

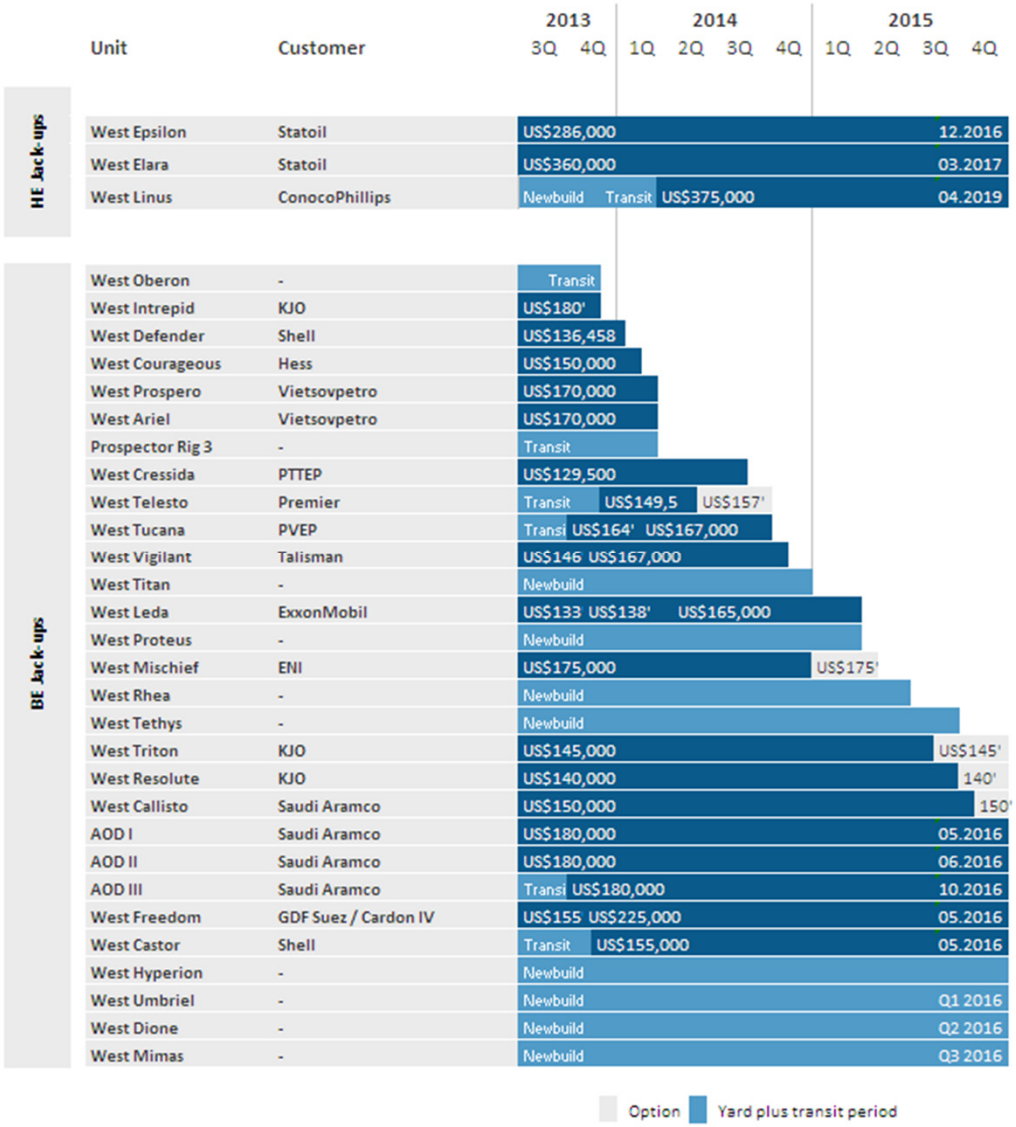


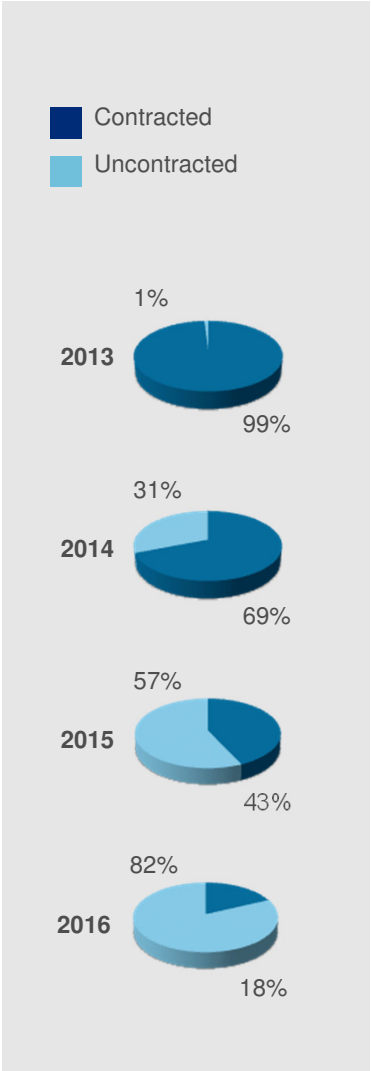
Contract coverage





Jack-ups - US$3 Billion Contract Backlog





Note: Backlog generated by the tender rigs (T15, T16 and West Vencedor) is US$0.5 billion.

Culture of Safe & Efficient Operations

Quality of operations

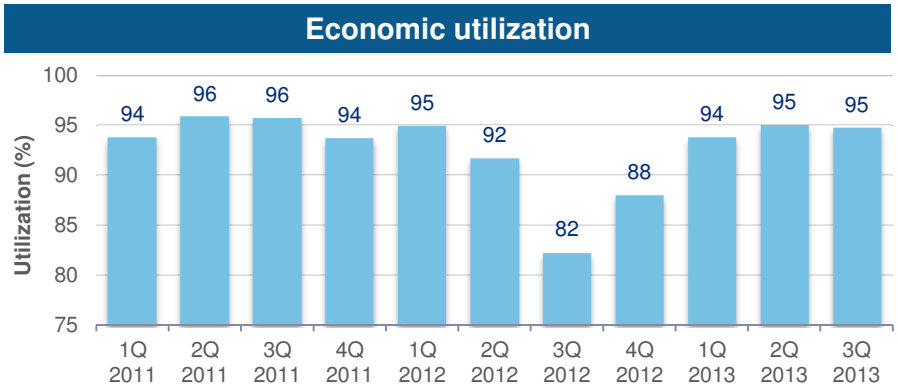
- Recognized for providing highest quality operations, in the most challenging sectors of offshore drilling
- Key focus on procedures to control, measure and improve performance and risk management
- Competence assurance and on-hire testing

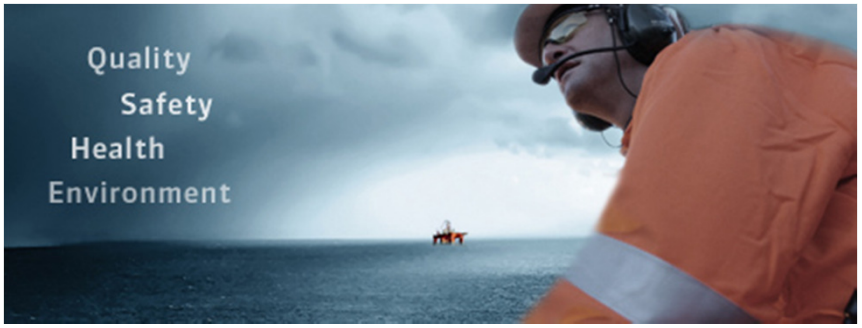
High performance

- Flat organizational structure and personal accountability
- Stable and high average long term economic utilization above 95%
- High reliability – Daily downtime reporting and routine technical audits

Focus on health & safety

- One of the most ridged safety control systems in the drilling space with clear objectives and procedures
- Full internal investigations of “near-misses” to personnel or to the environment
- Overall goal of “no-one gets hurt”





Market Outlook



Global Operational Footprint

Americas
13 units

Canada
- 1 Semi

Gulf of Mexico
- 3 Semis
- 2 Drillships
- 1 Jack-up

South America
- 5 Semis
- 1 Jack-up

Africa – Middle East
13 units

- 3 Drillships
- 2 Semis
- 1 Semi-tender
- 7 Jack-ups



North Atlantic
7 units

- 4 HE Semis
- 2 HE Jack-ups
- 1 Drillship

Asia Pacific
11 units

- 2 Tender rigs
- 8 Jack-ups
- 1 Drillship

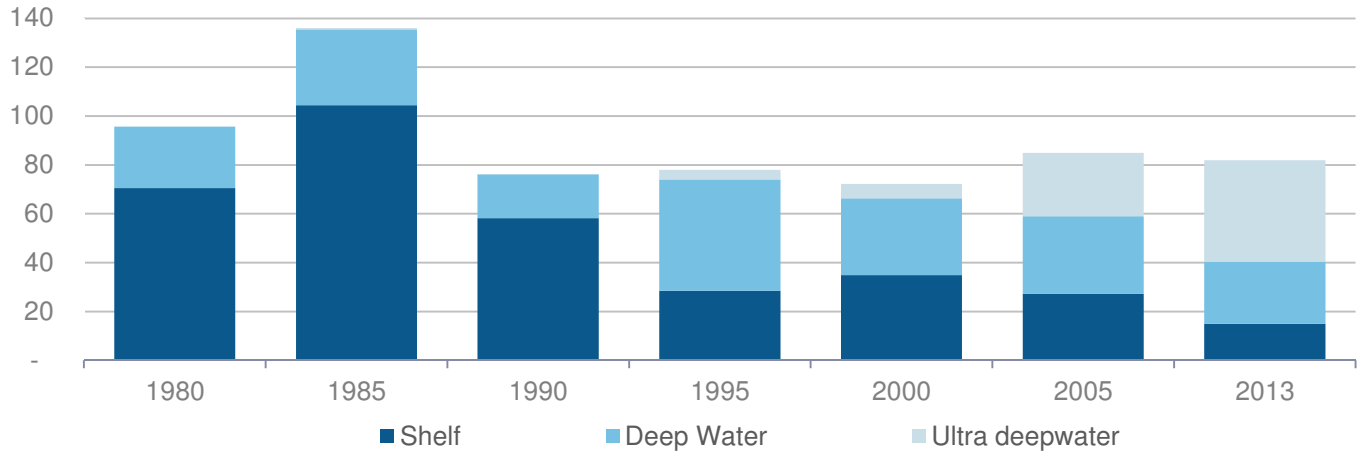
Newbuilds 25 units

- 8 Drillships
- 4 Semis
- 1 HE jack-up
- 12 BE jack-ups

Presence in all important oil and gas regions

Recent Discoveries to Become Produced Volumes

Discovered resources 1980 to 2013 *(Billion boe)*

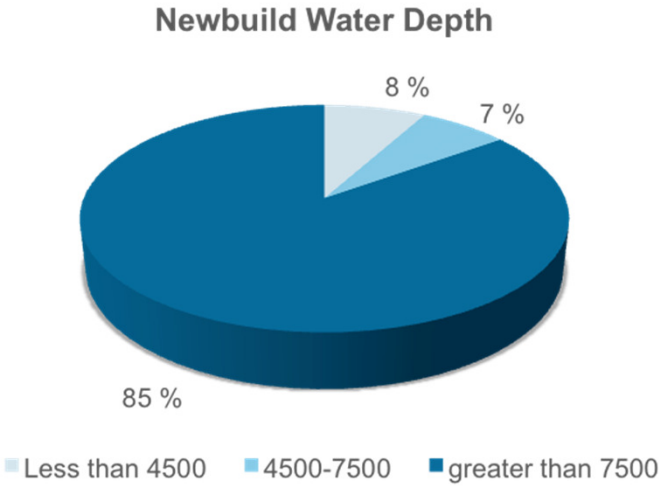


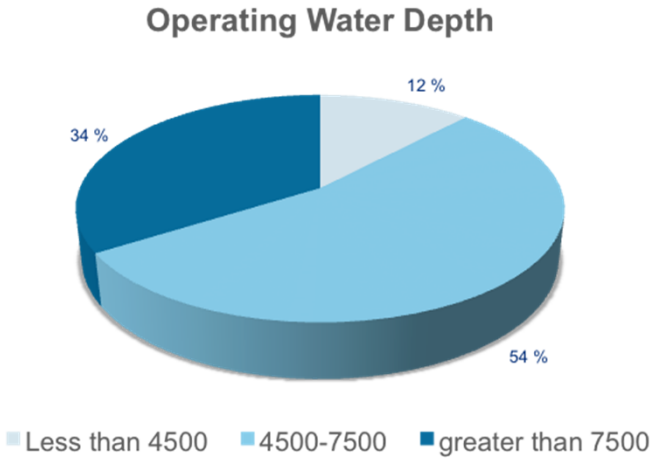
Resources discovered and produced 2000-2012 *(Billion boe)*

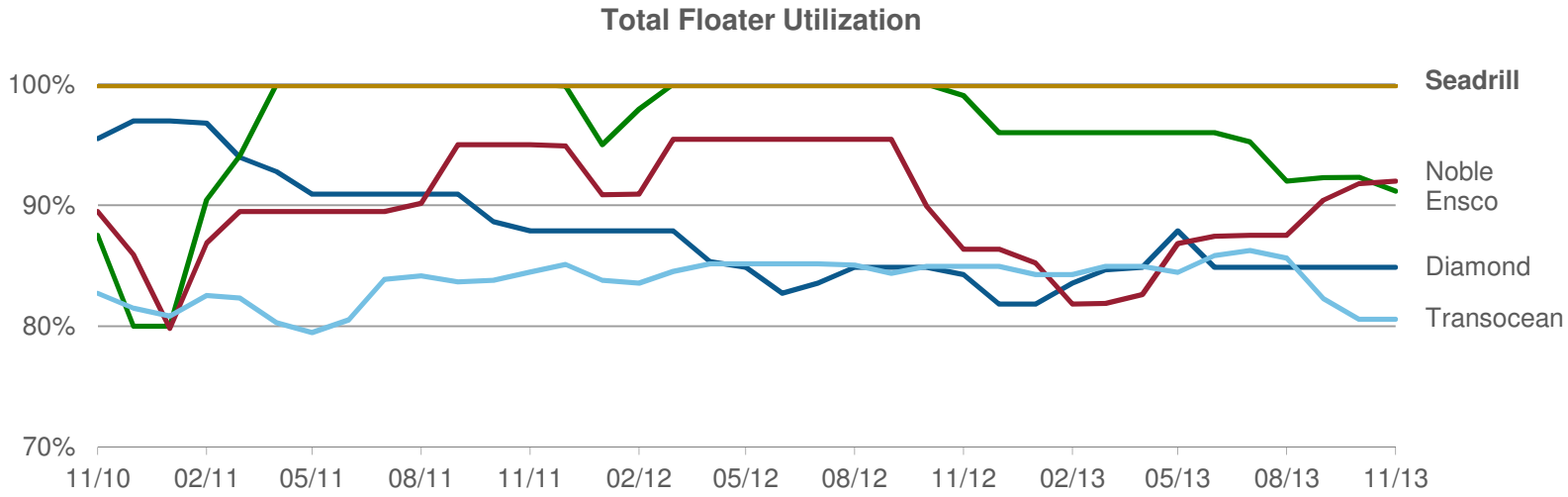
Group	Waterdepth	Produced *Billion boe*	Discovered *Billion boe*	Replacements *Ratio*
Off-shore	Ultra Deepwater - 7500 ft +	1	8	16,4
	Deep - 400 - 7499 ft	63	154	2,5
	Shelf - 400 ft	163	77	0,5
	Total	**227**	**239**	1,1
On-shore	On-shore	485	456	0,9
On-shore Off-shore	**Global**	**712**	**695**	1,0

Source: Rystad Energy research and analysis; UCube

UDW Replacing Aging Deepwater Fleet



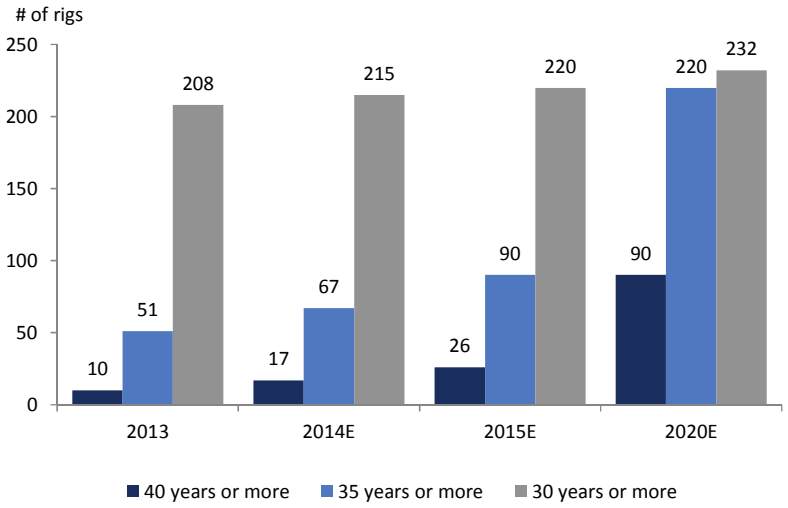




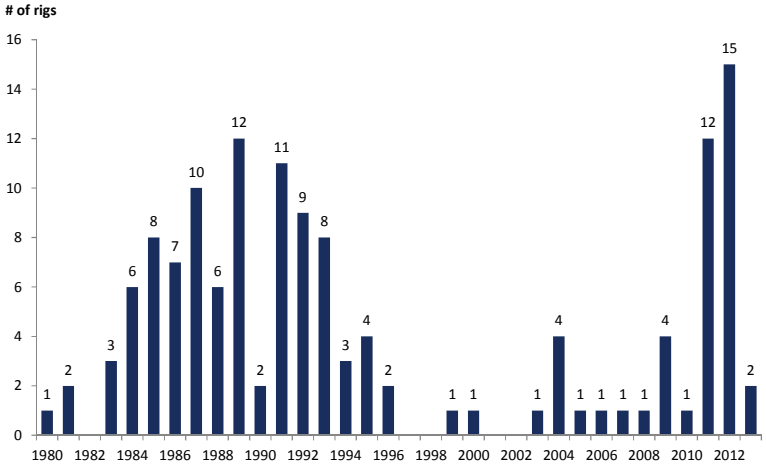
Source: ODS Petrodata

Robust Jack-up Fundamentals

Age Development of Contracted Jack-up Fleet



Jack-ups Removed from the Market



- In 2015 more than 220 of the currently contracted Jack-up fleet will be more than 30 years old
- 90 of the units will be more than 35 years old
- Scrapping & Conversion of older units increased in 2011 and 2012 with trend expected to continue

Financial Performance Highlights



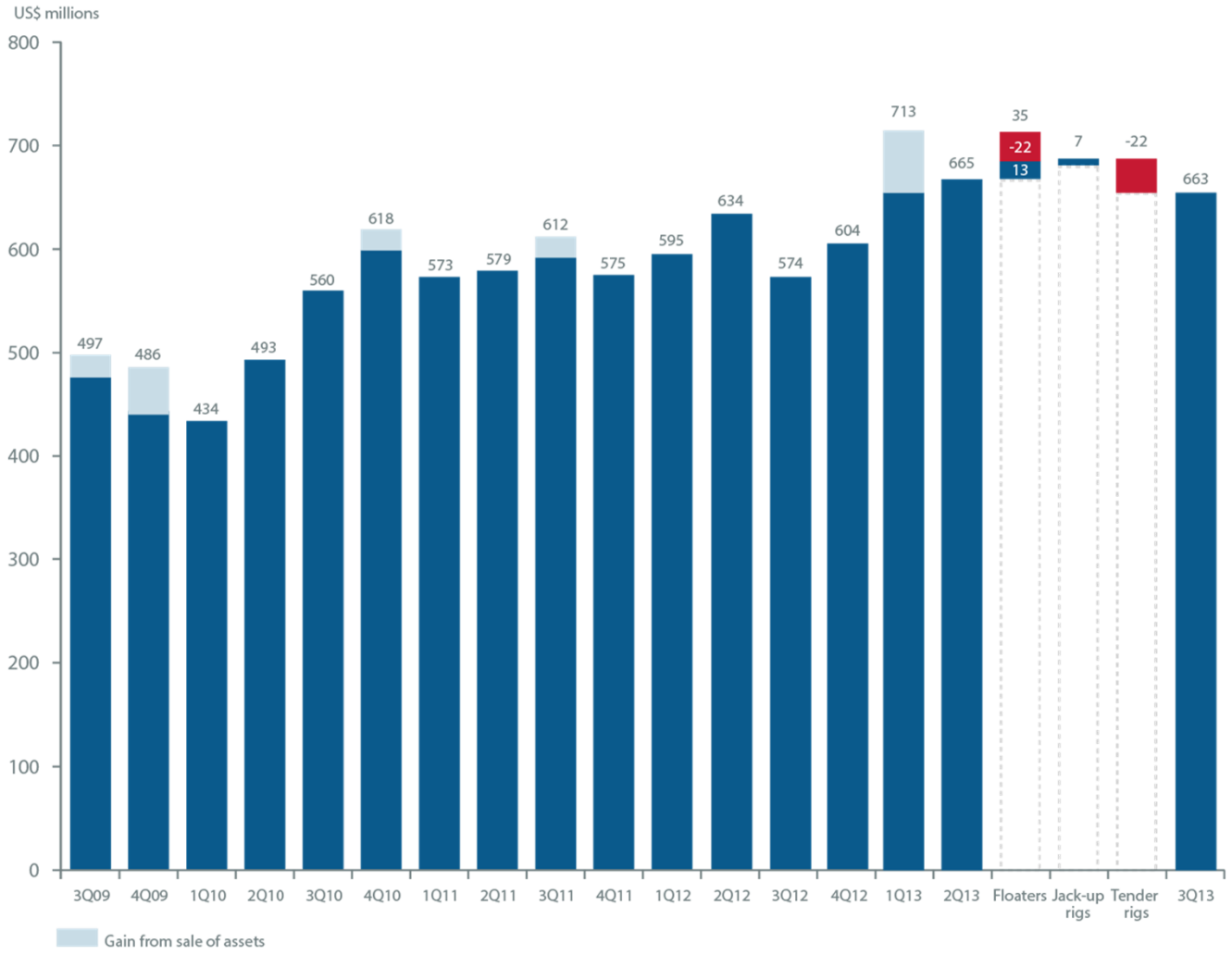
Financial Performance Highlights

	This quarter	Previous quarter
EBITDA	US$663 m	US$665 m
Earnings per share	US$0.61	US$3.68
Operating profit	US$471 m	US$507 m
Financial items and other income	US$(96) m	US$1,292 m
Cash flow from operating activities	US$1,204 m	US$248 m
Dividend declared per share	US$0.95	US$0.91

Balance Sheet Summary

	September 30, 2013	June 30, 2013
Total Current Assets	**2,562**	**2,978**
Non-current assets		
Newbuildings	4,900	3,524
Drilling units	14,778	12,891
Other	2,739	2,408
Total non-current assets	**22,417**	**18,823**
TOTAL ASSETS	**24,979**	**21,801**
Current Liabilities		
Current portion of long-term debt	2,645	2,873
Other	2,994	1,524
Total current liabilities	**5,639**	**4,397**
Non-current liabilities		
Total Long-term Debt	10,087	8,521
Other	1,487	1,043
Total non-current assets	**11,574**	**9,564**
TOTAL LIABILITIES	**17,213**	**13,961**
Equity		
Total shareholder's equity	**7,766**	**7,840**
Total liabilities and shareholder's equity	**24,979**	**21,801**

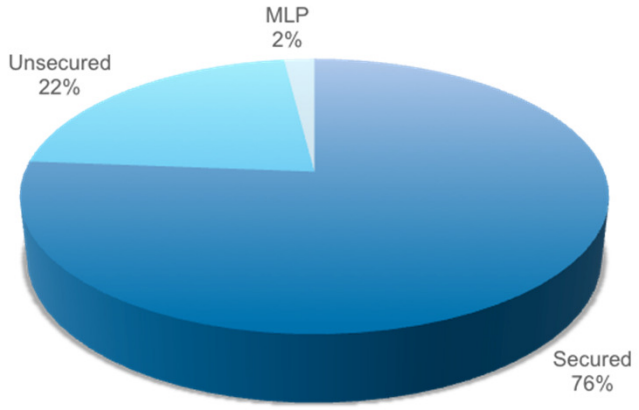
EBITDA Contribution



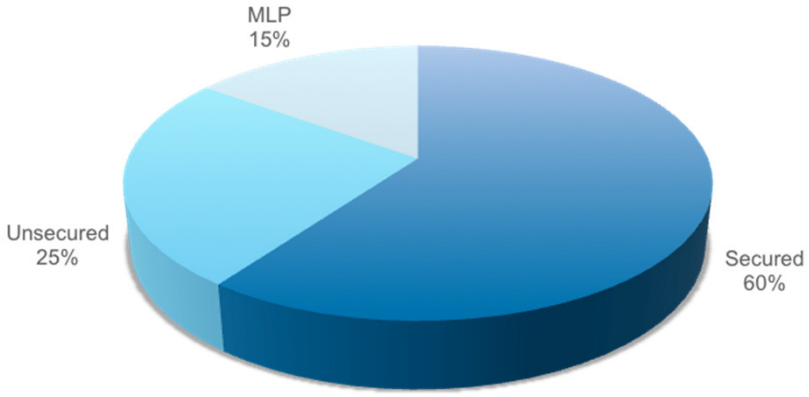
Financial Flexibility

Seadrill

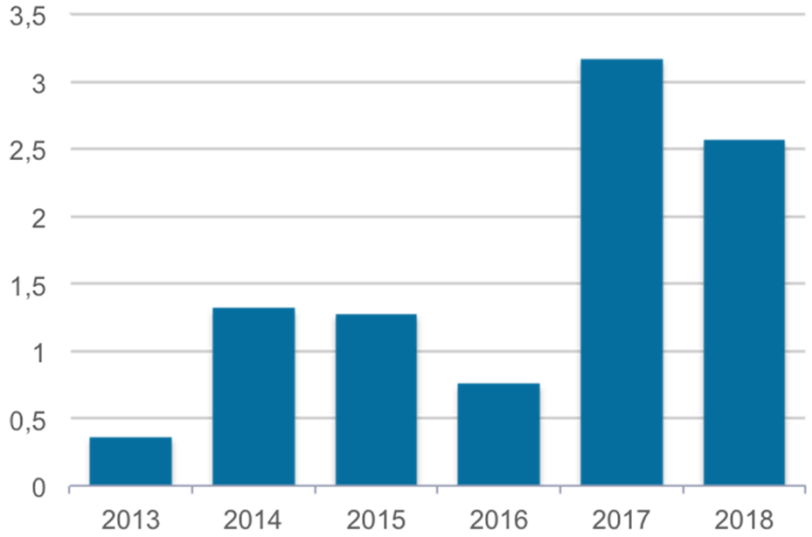
Nov-2013 Actual



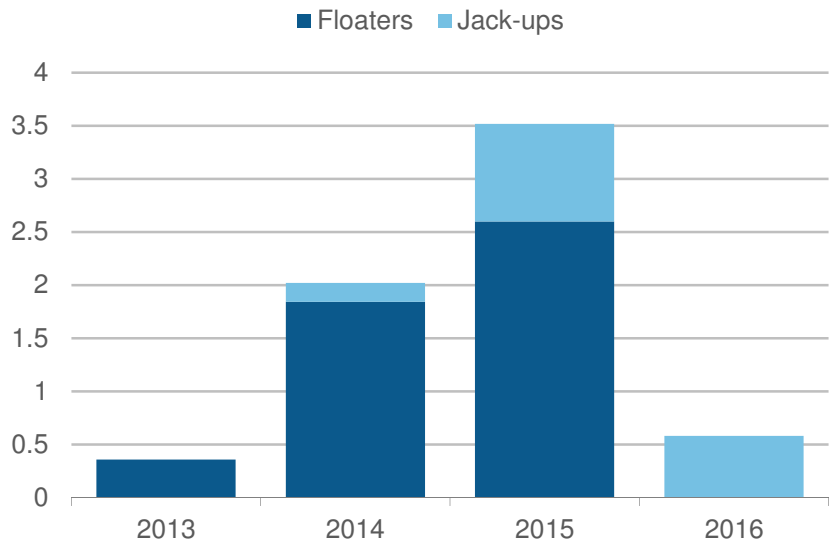
2015 Illustrative



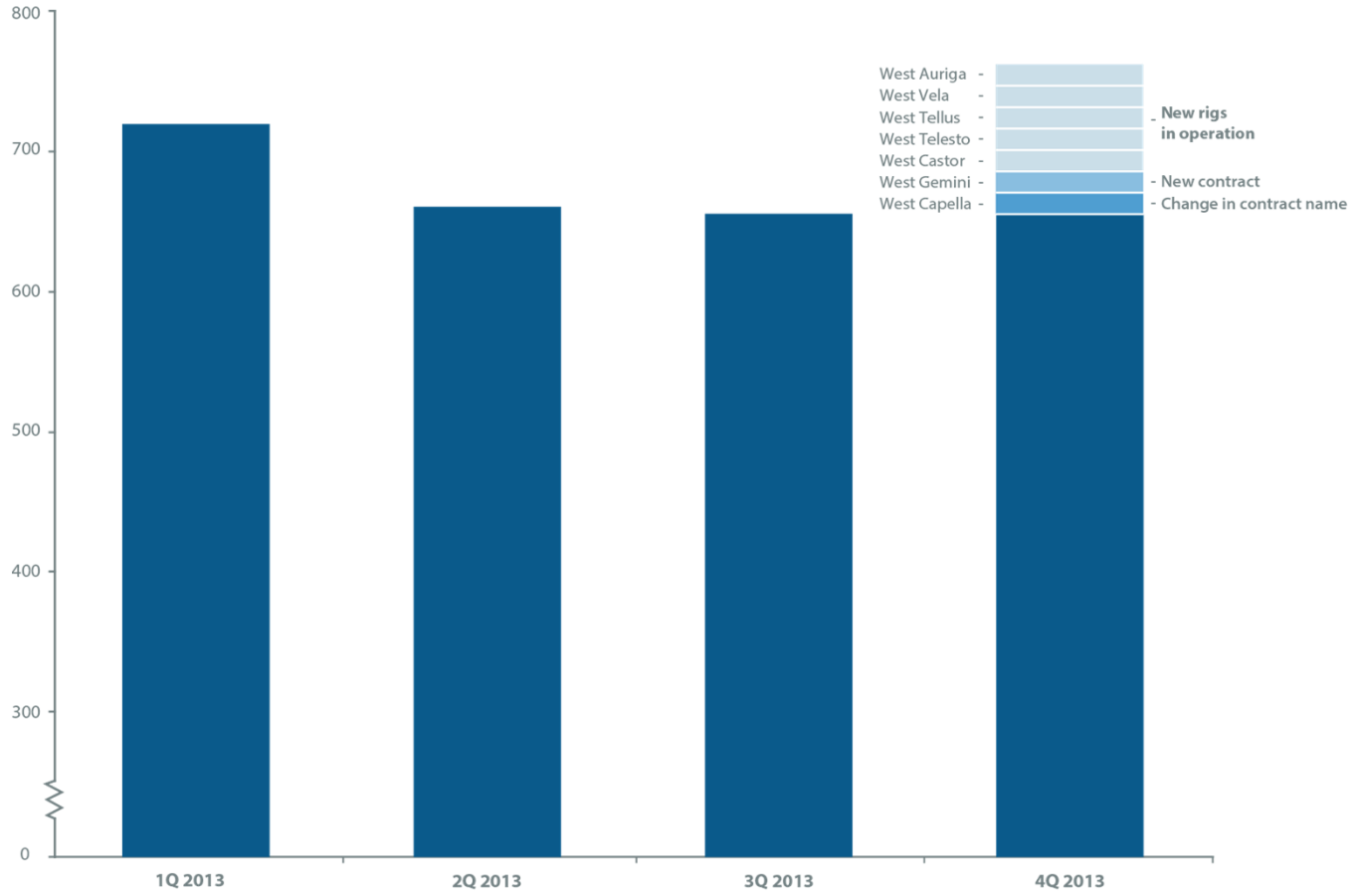
Debt Maturity Profile (US$ billion)



Capex Per Year (US$ billion)



In Excess of 15% EBITDA Growth in Q4



North Atlantic Drilling Ltd.

Third quarter 2013 results summary and market update



Third Quarter 2013 Highlights

- North Atlantic Drilling achieves an average economical utilization of 96 percent and generates US$143.7 million in EBITDA for the third quarter.

- North Atlantic Drilling issues NOK 1,500 million, equivalent to US$253 million, in 5 year senior unsecured bonds in the Nordic Market. The proceeds have been used to pay down on existing revolving credit facilities.

- North Atlantic Drilling files its first amended registration statements to the US Securities and Exchange Commission("SEC") for review and targets launch of the Initial Public Offering and listing of the Company's shares on the NYSE in due course following the SEC review process



Financial reporting highlights

	This quarter	Previous quarter
EBITDA	US$144 m	US$132 m
Earnings per share	US$0.303	US$0.281
Operating profit	US$93 m	US$87 m
Financial items	US$(22) m	US$(15) m
Cash flow from operating activities	US$81 m	US$96 m
Dividend declared per share	US$0.225	US$0.225

Arctic and harsh environments are key areas for future offshore oil and gas developments



NADL rig locations[1]

NADL focus areas

North Atlantic and Arctic region

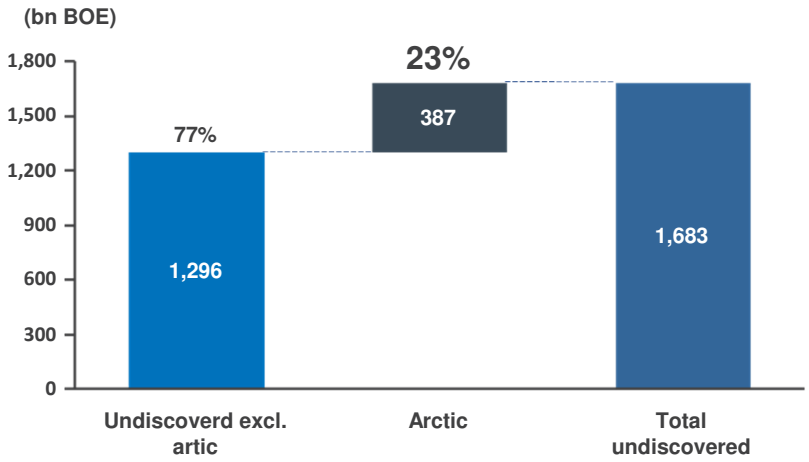
- North Atlantic represents the most active harsh environment market
- ~13% of world's undiscovered oil and ~30% of undiscovered gas estimated to be in the Arctic region
- Expected to be focus area for E&P companies over the next decade
- E&P spending in the region has grown at 11% p.a. over the last decade and is expected to increase by 8% p.a. in 2013-2018
- The main HE regions are

Region	Undiscovered resources (bn boe)	Rigs in region
Norway	**24**	**37**
UK	**43**	**28**
East Greenland	**31**	**0**
Arctic Russia	**210**	**2**
Southern NS	**1,3**	**16**

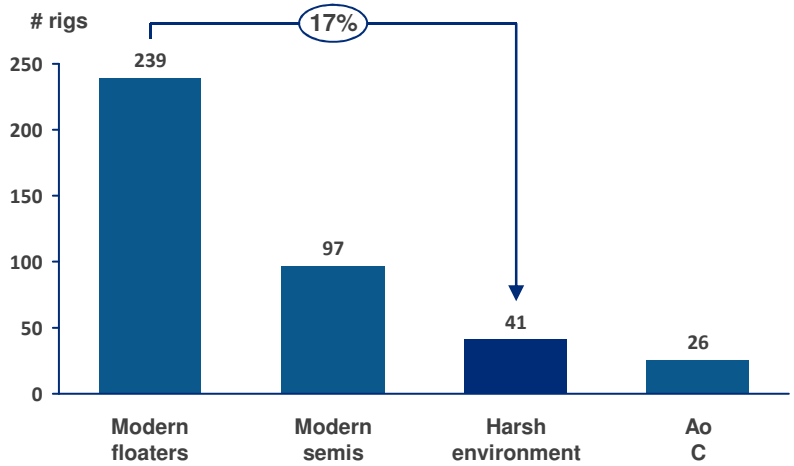
Source: Company, USGS, NPD, IHS Petrodata, DNB Markets
1) Not exact locations 2) Denmark, Netherlands

Significant growth in investments expected in the arctic and harsh environment market

Arctic – the next exploration frontier



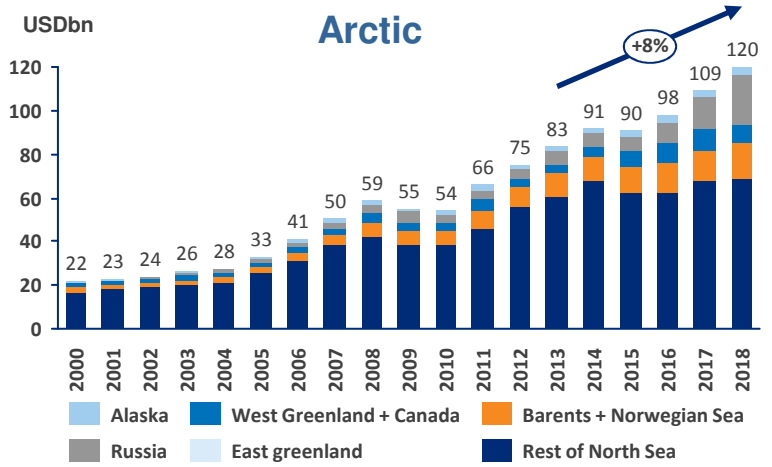
Few assets suitable for harsh environment



Additional demand from mature fields

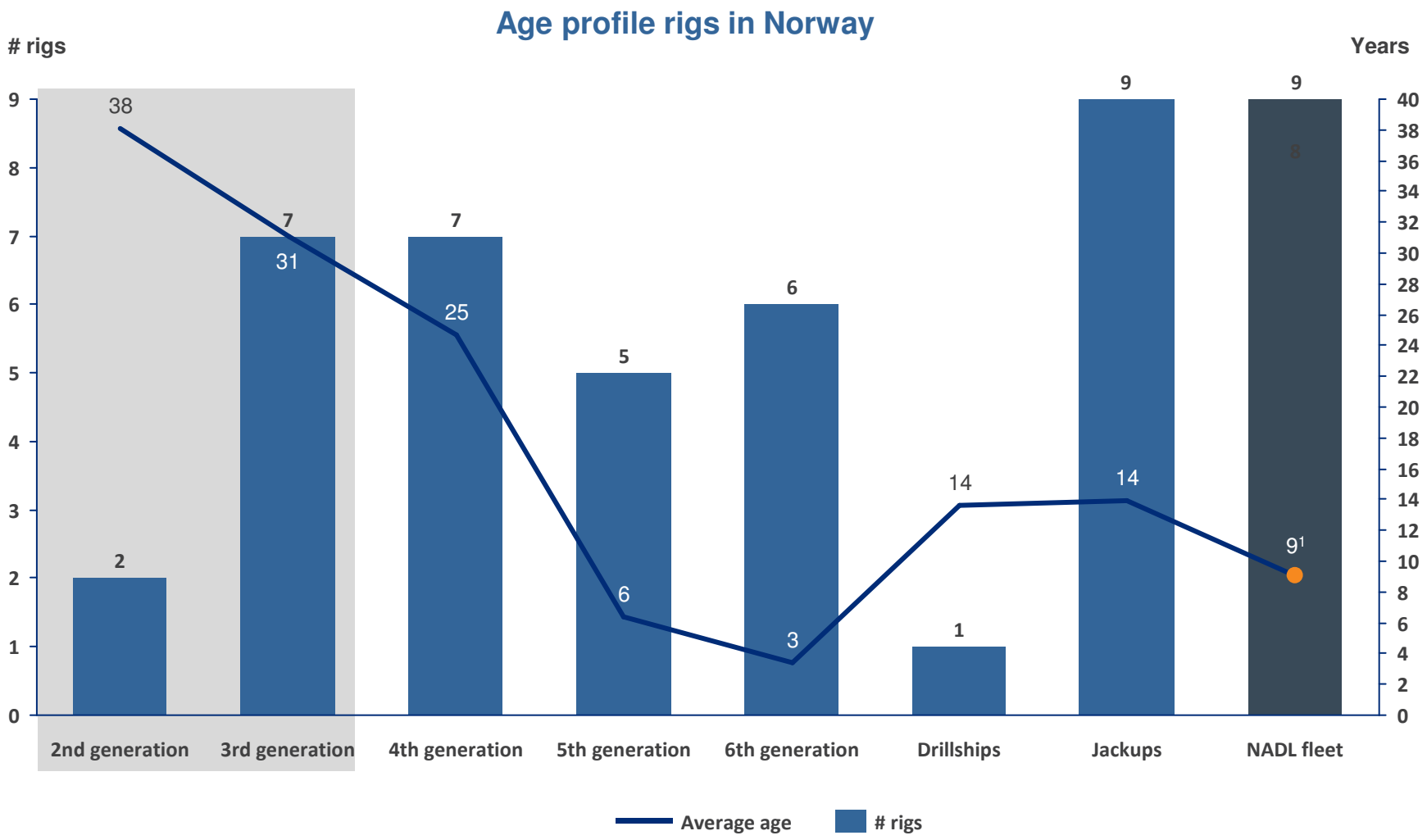
- A reservoir will experience production declines by approximately ~5% per year if it is not constantly drilled
- 97 new field development projects at NCS for the period 2013-2020
- Several fixed platforms are reaching maximum number of wells possible to drill from their templates. Tie back solutions necessary

E&P spending in North Atlantic and Arctic

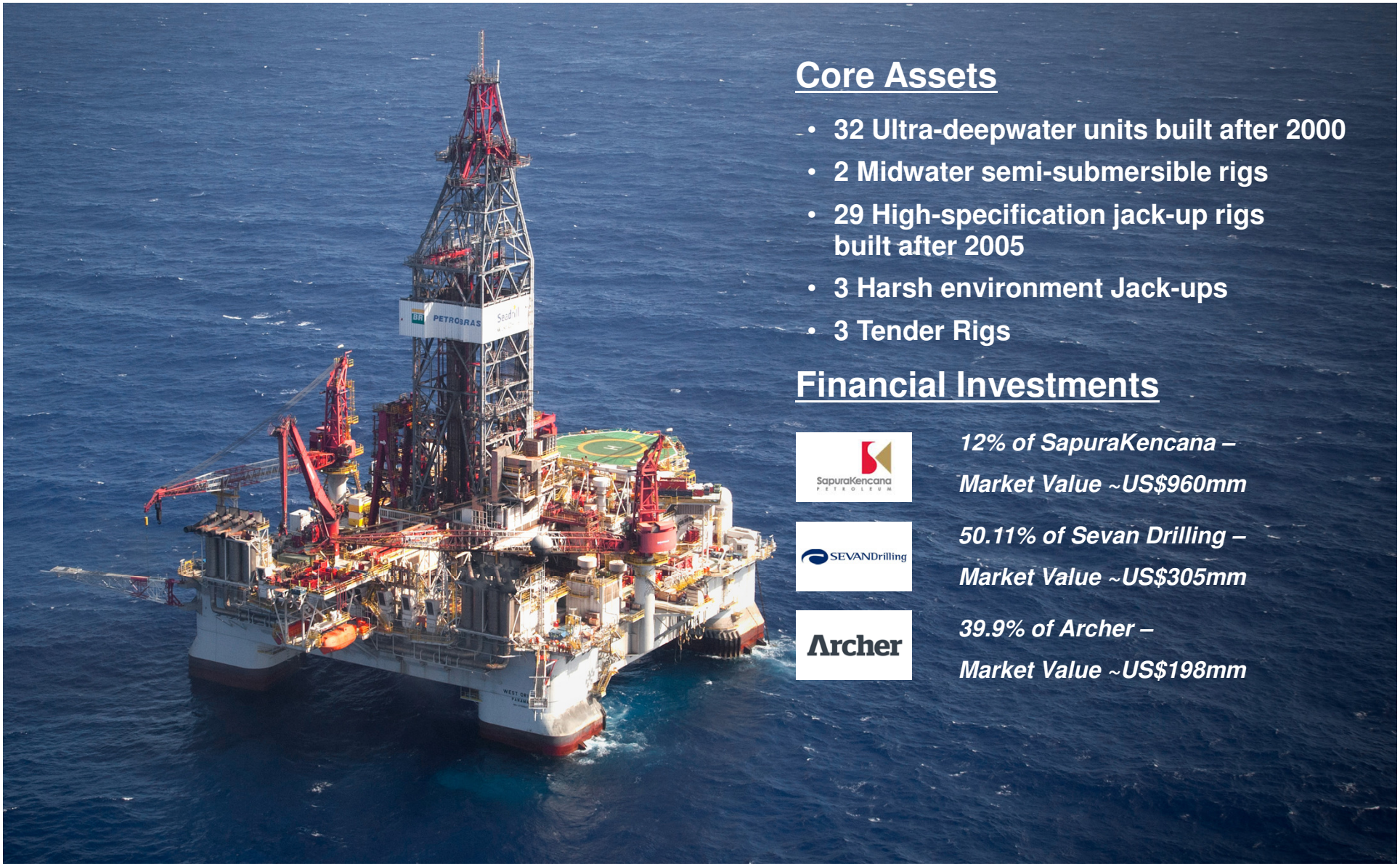


Source: IHS Petrodata, Rystad Energy, US Geological Survey
Modern floaters built after 2000 Acknowledgement of Compliance – certificate to operate at Norwegian Continental Shelf

Ageing fleet ready for renewal – 18 years average age



Source: IHS Petrodata, DNB Markets
1) Average age of NADL calculated as of 2013 year end and includes West Linus



Core Assets

- 32 Ultra-deepwater units built after 2000
- 2 Midwater semi-submersible rigs
- 29 High-specification jack-up rigs built after 2005
- 3 Harsh environment Jack-ups
- 3 Tender Rigs

Financial Investments

12% of SapuraKencana – Market Value ~US$960mm

50.11% of Sevan Drilling – Market Value ~US$305mm

39.9% of Archer – Market Value ~US$198mm



Appendix I:
Seadrill Limited Financials

Operating Income - Floaters

Unaudited accounts in USD millions	3Q13	2Q13	1Q13	4Q12
Total operating revenues	**939**	**913**	**807**	**764**
Gain on sale of assets	-	-	-	-
Vessel and rig operating expenses	357	301	290	243
Reimbursable expenses	29	88	40	59
Depreciation and amortisation	146	118	117	109
General and administrative expenses	53	37	42	49
Total operating expenses	**585**	**544**	**489**	**460**
Net operating income	**354**	**369**	**318**	**304**

Operating Income – Jack-up Rigs

Unaudited accounts in USD millions	3Q13	2Q13	1Q13	4Q12
Total operating revenues	**292**	**274**	**269**	**247**
Gain on sale of assets	-	-	61	-
Vessel and rig operating expenses	122	111	112	121
Reimbursable expenses	6	9	13	11
Depreciation and amortisation	42	38	37	38
General and administrative expenses	23	20	23	25
Total operating expenses	**193**	**178**	**185**	**195**
Net operating income	**99**	**96**	**145**	**52**

Operating Income – Total Seadrill Limited

Unaudited accounts in USD millions	3Q13	2Q13	1Q13	4Q12
Total operating revenues	**1,280**	**1,268**	**1,265**	**1,215**
Gain on sale of assets	-	-	61	-
Vessel and rig operating expenses	491	439	482	448
Reimbursable expenses	48	100	59	78
Depreciation and amortisation	192	158	161	163
General and administrative expenses	78	64	72	84
Total operating expenses	**809**	**761**	**774**	**774**
Net operating income	**471**	**507**	**552**	**441**

Net Income – Total Seadrill Limited

Unaudited accounts in USD millions	3Q13	2Q13	1Q13	4Q12
Net operating income	471	507	552	441
Financial items and other income				
Interest income	-	6	4	11
Interest expense	(107)	(96)	(108)	(91)
Share in results from associated companies	(10)	(26)	2	(214)
Gain on re-measurement of previous held equity	-	-	10	-
Gain on bargain purchase	-	-	15	-
Gain/(Loss) in financial derivatives	(5)	141	(5)	(12)
Foreign exchange gain/(loss)	-	14	13	(19)
Realization of marketable securities	-	-	-	(1)
Other financial items	26	(3)	1	(9)
Gain on sale of tender rigs	-	1,256	-	-
Total financial items and other income	**(96)**	**1,292**	**(68)**	**(335)**
Income before income taxes	375	1,799	484	106
Income taxes	(60)	(49)	(44)	(108)
Net income	**315**	**1,750**	**440**	**(2)**
Earnings per share (US$)	**0.61**	**3.68**	**0.87**	**(0.04)**

Balance Sheet - Assets

Unaudited accounts in USD millions	September 30, 2013	June 30, 2013	March 31, 2013
Current assets			
Cash and cash equivalents	551	437	328
Restricted cash	244	224	174
Marketable securities	316	936	314
Accounts receivables, net	1,043	1,015	884
Other current assets	408	366	650
Total current assets	**2,562**	**2,978**	**2,350**
Non-current assets			
Newbuildings	4,900	3,524	2,654
Drilling units	14,778	12,891	12,746
Restricted cash	171	177	201
Deferred tax assets	22	35	12
Non-current assets held for sale	-	-	1,188
Other non-current assets	2,546	2,196	2,055
Total non-current assets	**22,417**	**18,823**	**18,856**
Total assets	**24,979**	**21,801**	**21,206**

Balance Sheet – Liabilities & Shareholder's Equity

	September 30, 2013	June 30, 2013	March 31, 2013
Current liabilities			
Current portion of long-term debt	2,645	2,873	2,598
Trade accounts payable	131	66	58
Current liabilities associated with assets held for sale	-	-	155
Other current liabilities	2,863	1,458	1,971
Total current liabilities	**5,639**	**4,397**	**4,782**
Non-current liabilities			
Long-term interest bearing debt	10,087	8,521	7,883
Deferred taxes	19	70	32
Non-current liabilities associated with assets held for sale	-	-	701
Other non-current liabilities	1,468	973	1,278
Total non-current liabilities	**11,574**	**9,564**	**9,894**
Equity			
Total shareholder's equity	**7,766**	**7,840**	**6,530**
Total liabilities and shareholder's equity	**24,979**	**21,801**	**21,206**



Appendix II:
North Atlantic Drilling Financials

Operating Income - Total

Unaudited accounts in USD millions	3Q13	2Q13	1Q13	4Q12
Operating revenues	293	280	272	241
Reimbursables	28	95	46	42
Total operating revenues	**321**	**375**	**318**	**283**
Vessel and rig operating expenses	134	137	125	89
Reimbursable expenses	26	90	42	38
Depreciation and amortisation	51	45	44	43
General and administrative expenses	17	16	15	16
Total operating expenses	**228**	**288**	**226**	**186**
Net operating income	**93**	**87**	**92**	**98**

Net Income - Total

Unaudited accounts in USD millions	3Q13	2Q13	1Q13	4Q12
Net operating income	93	87	92	98
Financial items				
Interest expense	(21)	(21)	(19)	(22)
Gain / (loss) on derivatives	(3)	9	(6)	2
Other financial items	2	(3)	(5)	1
Total financial items	**(22)**	**(15)**	**(30)**	**(19)**
Income before income taxes	71	72	62	79
Income taxes	(2)	(8)	(7)	(84)
Net income / (loss)	**69**	**64**	**55**	**(5)**
Earnings per share (US$)	**0.303**	**0.281**	**0.240**	**(0.023)**

Balance Sheet - Assets

	September 30, 2013	June 30, 2013	March 31, 2013
Current assets			
Cash and cash equivalents	116	180	120
Restricted cash	19	23	19
Accounts receivables, net	256	255	225
Related party receivables	30	13	142
Deferred tax assets	11	10	10
Other current assets	43	35	28
Total current assets	**475**	**516**	**544**
Non-current assets			
Newbuildings	277	263	255
Drilling units	2 397	2 412	2 419
Goodwill	481	481	481
Deferred tax assets	20	19	23
Other non-current assets	133	138	135
Total non-current assets	**3 308**	**3 313**	**3 313**
Total assets	**3 783**	**3 829**	**3 857**

Balance Sheet – Liabilities and Shareholder's Equity

	September 30, 2013	June 30, 2013	March 31, 2013
Current liabilities			
Current portion of long-term debt	167	167	167
Related party liability	7	12	11
Tax payable	9	8	48
Deferred taxes	12	12	12
Other current liabilities	253	243	397
Total current liabilities	**448**	**442**	**635**
Non-current liabilities			
Long-term interest bearing debt	1 458	1 500	1 542
Related party liability	884	909	718
Deferred taxes	35	40	40
Pension liabilities	52	37	35
Other non-current liabilities	44	44	44
Total non-current liabilities	**2 473**	**2 530**	**2 379**
Equity			
Total shareholder's equity	**862**	**857**	**843**
Total liabilities and shareholder's equity	**3 783**	**3 829**	**3 857**