

Credit Suisse 2014 Energy Summit

CEO – Per Wullf

Vail, Colorado, February 2014

Seadrill

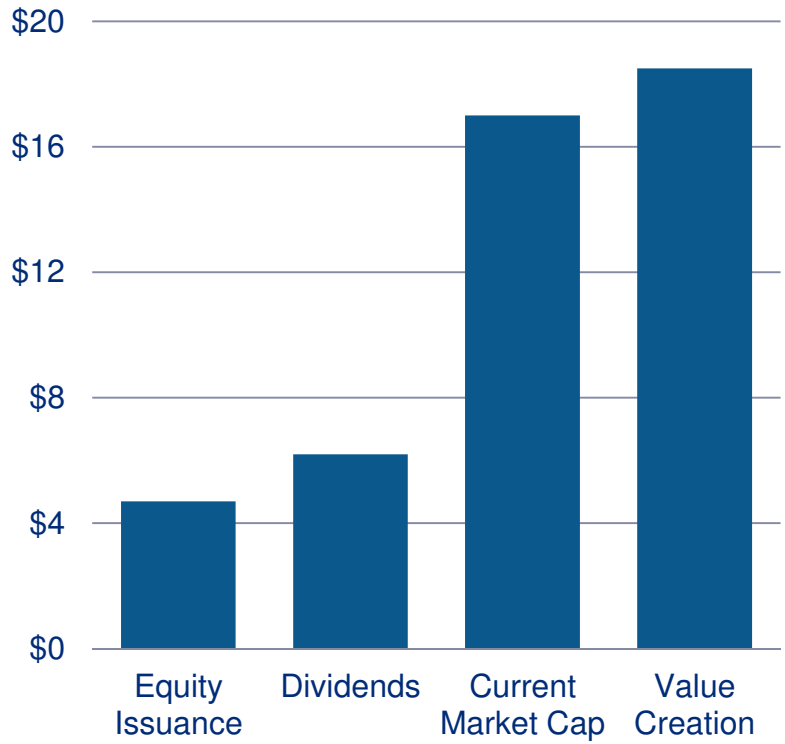
Forward Looking Statements

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 Limited Overview

- Most modern fleet of all the major offshore drillers
- Diverse asset base of 69[(1)] units
  - 34 drillships & semi-submersibles (11 Under Construction)
  - 32 jack-up rigs (9 Under Construction)
  - 3 tender rigs
- Global reach including harsh environment
- Current market capitalization ~ US$17 bn
- Broad customer base with contract backlog ~ US$20 bn
- Dividend annualized ~ US$1.8 bn





Market Leading Track Record of Value Creation

(1) Includes rigs contributed to Seadrill Partners.

Establishing Vehicles to Offer Exposure to Key Themes

Company	Investment Highlights
Seadrill	› **Largest modern fleet** of globally fungible assets › **M&A and newbuild** exposure › **Opportunistic** market approach
Seadrill Partners LLC	› **Long-term contracted** assets at attractive rates › **High stability** of cash flows › Growth through equity funded **acquisitions**
NORTH ATLANTIC DRILLING	› Premium **harsh environment** fleet › Exposure to **North Atlantic and Arctic growth** › **High and sustainable barriers** to entry

Demonstrated Access to Capital Markets

SDLP Dropdowns

- West Sirius and West Leo acquired by Seadrill Partners
- **US$465 million** equity offering to finance dropdown
- Generated cash proceeds of **US$356 million** to Seadrill Limited

NADL IPO and Bond Issuance

- NADL completes listing on NYSE with **US$125 million** IPO
- Issues **US$600 million** unsecured bond
- NADL is now independently financed and in prime position to be the premier player in harsh environment and Arctic operations

SDLP Debt Restructuring

- SDLP launches **US$1,800 million Term Loan B**
- Creating a cleaner capital structure with lower annual amortization
- Seadrill Limited benefits by receiving proceeds of ~US$500 million

Access to Funding, High Utilization, Large Backlog → Stability in Current Market

Key Investment Highlights



Key Investment Highlights

- Global Operational Footprint
- Modern Fleet with Exposure to Premium Segments
- Significant Contracted Backlog Providing Dividend Visibility
- Innovative Capital Structure and Funding Strategy
- Dividend Growth a Priority… While Maintaining Earnings Growth Profile








Global Operational Footprint



Americas
12 units

- 2 Drillships
- 5 Semis
- 5 jack-up

North Atlantic
7 units

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

Brazil
5 units

- 5 Semis

Africa – Middle East
15 units

- 4 Drillships
- 2 Semis
- 1 Semi-tender
- 8 Jack-ups

Asia Pacific
10 units

- 2 Tender rigs
- 8 Jack-ups

Newbuilds 20 units

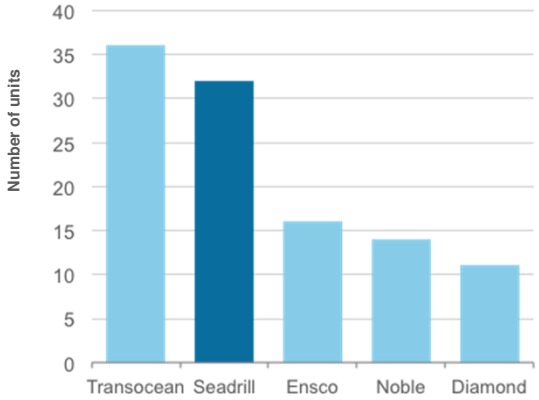
- 8 Drillships
- 3 Semis
- 1 HE jack-up
- 8 BE jack-ups

Presence in all important oil and gas regions

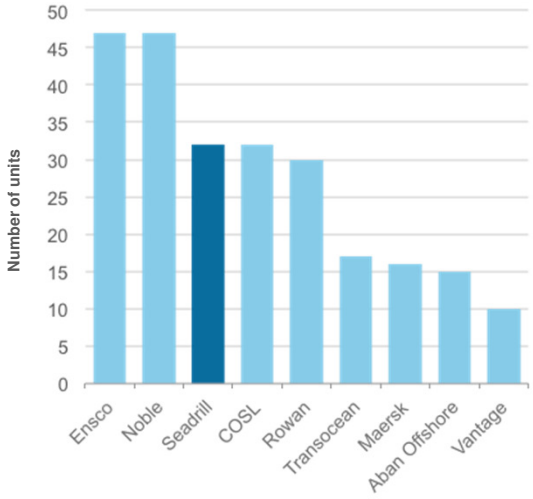
Strategic Focus on Premium Asset Classes

One of the largest Offshore Drillers…

Ultra-Deepwater Units

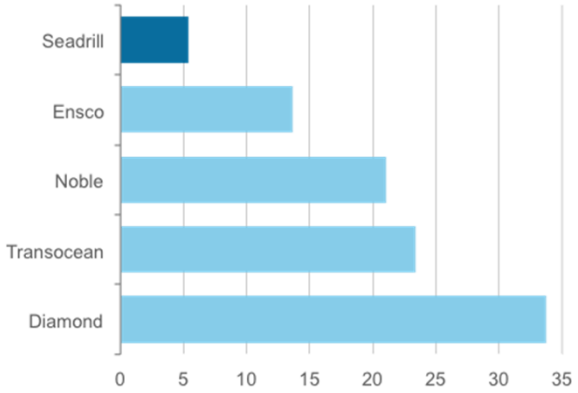


Jack-Up Units

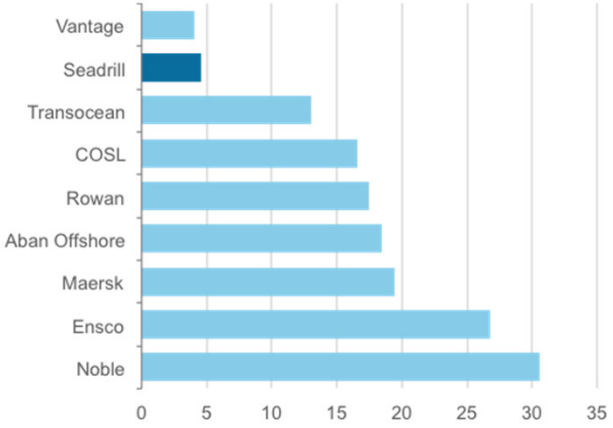


…with a Modern Fleet…

Average Floater Age

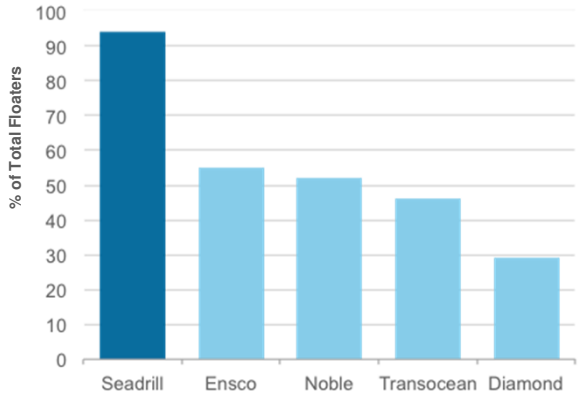


Average Jack-Up Age

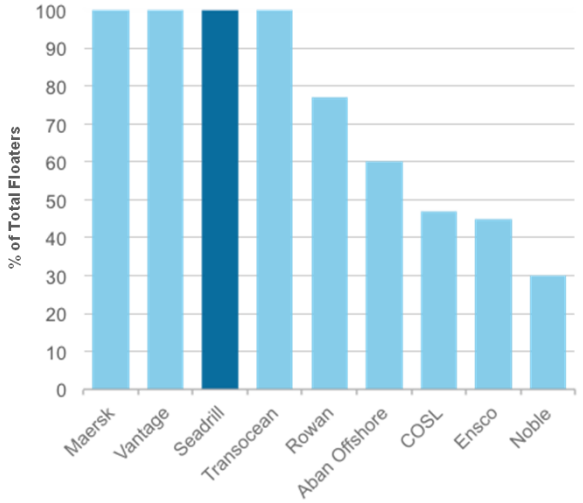


…and Exposure to Premium Segments

% Ultra-Deepwater of Total Floaters



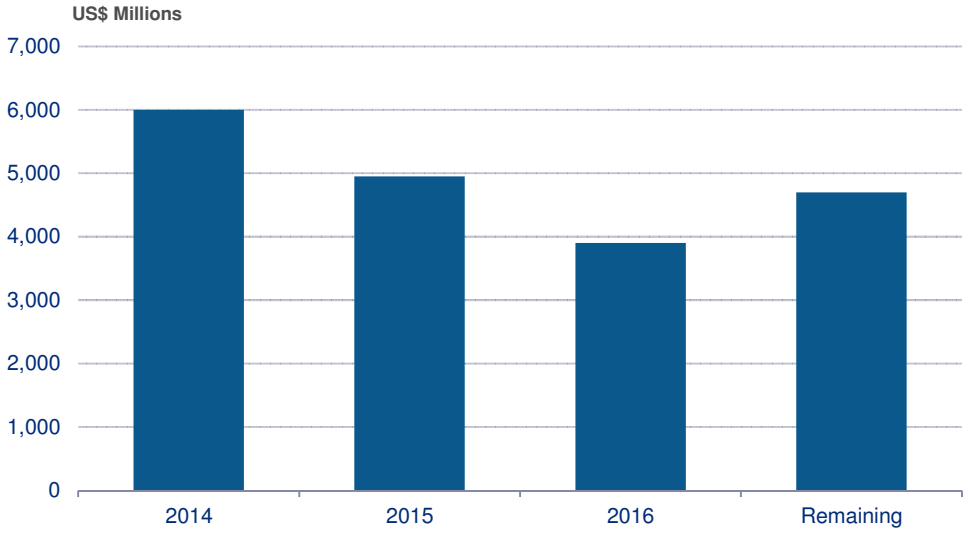
% of Jack-Up fleet >350' Water Depth

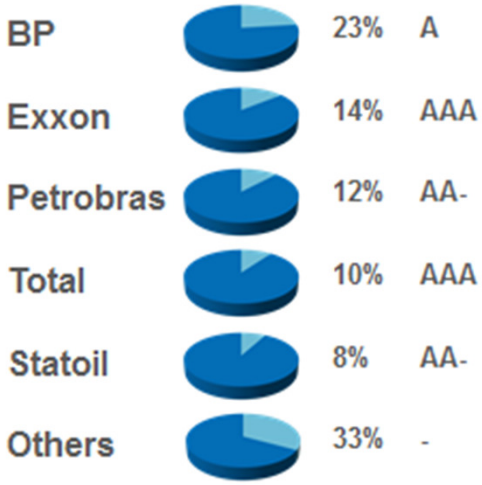


Source: ODS Petrodata.

Longstanding Relationships with Leading Oil & Gas Companies

Current backlog

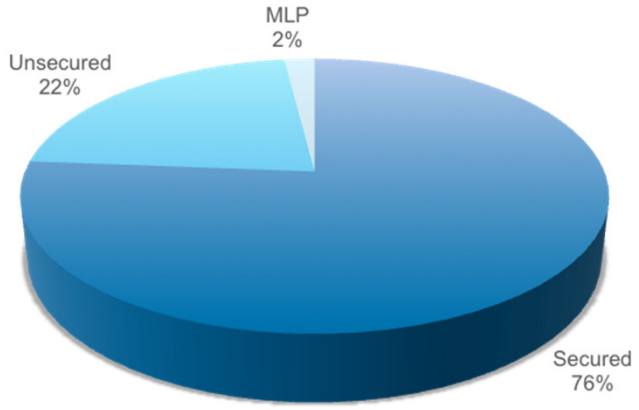




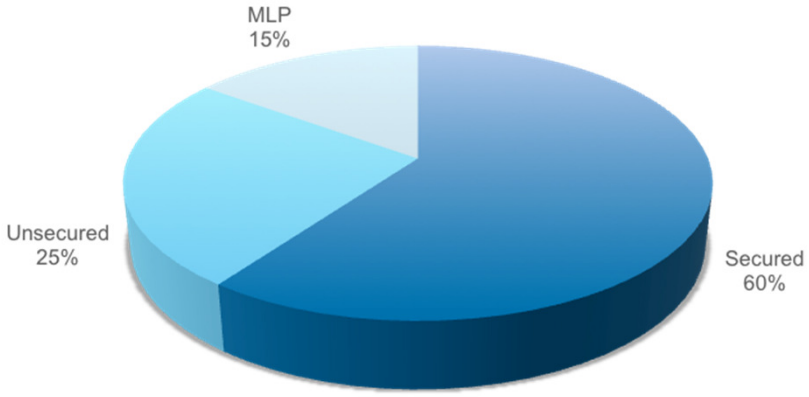
Financial Flexibility

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Jan-2014 Actual



2015 Illustrative



2013-2014 Financing Summary

Unsecured Financing

- NOK 1,800m bond
- NOK 1,500m bond (NADL)
- US$ 500m bond
- US$600m Bond (NADL)
- US$125m NADL NYSE IPO

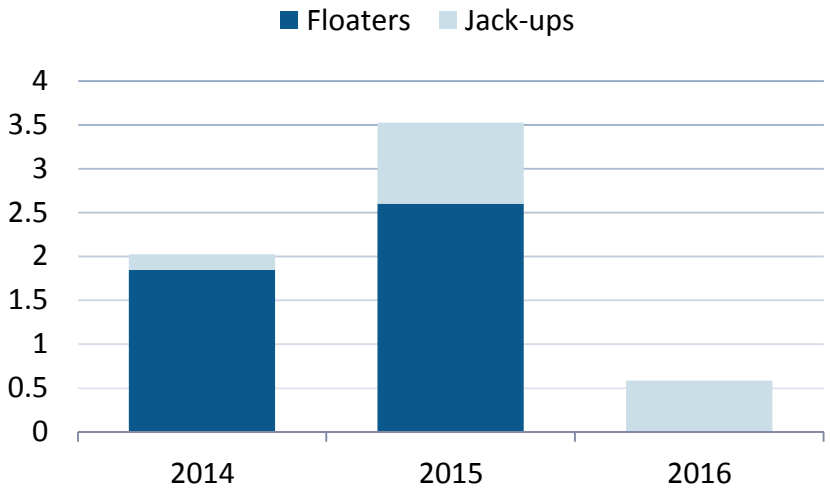
Secured Financing

- 8 new facilities
- Total of US$ 5,310m

MLP

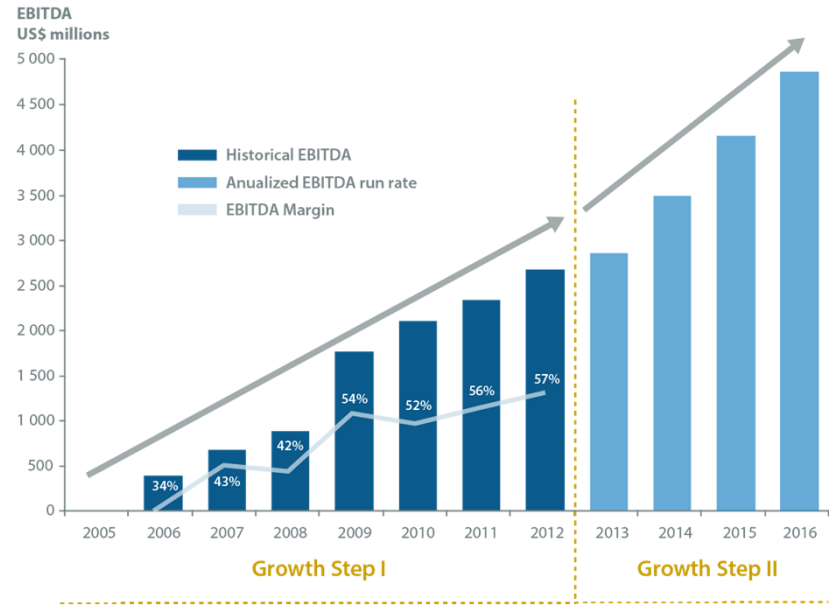
- US$ 356m contribution to SDRL though the sale of Sirius and Leo
- Launched US$1,800m TLB

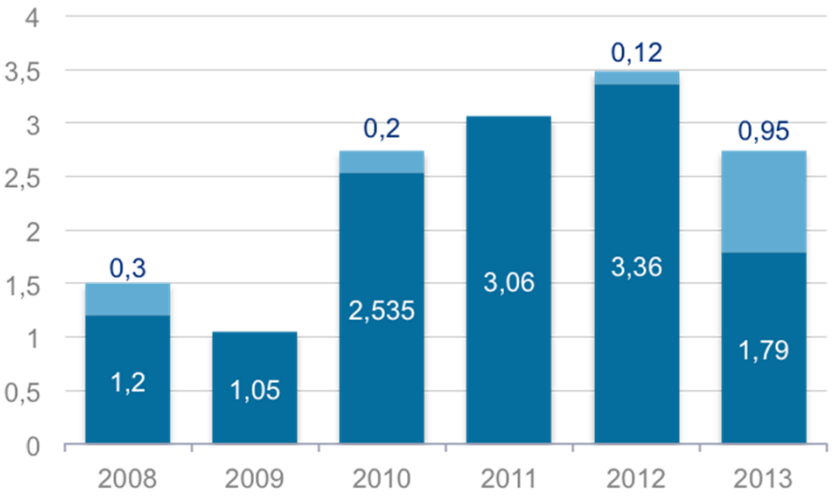
Capex Per Year (US$ billion)



Dividend Growth Continues to be a Priority… while maintaining a Growth Profile

- Key objective to grow quarterly dividends
- Quarterly cash dividend raised from 91 cents to 95 cents per share in Q3
- Increase reflects improved free cash flow and newbuilds commencing operation in 2H 2013
- Future dividends depend on:
  - Contract coverage
  - Market outlook
  - Leverage capacity
  - Future earnings



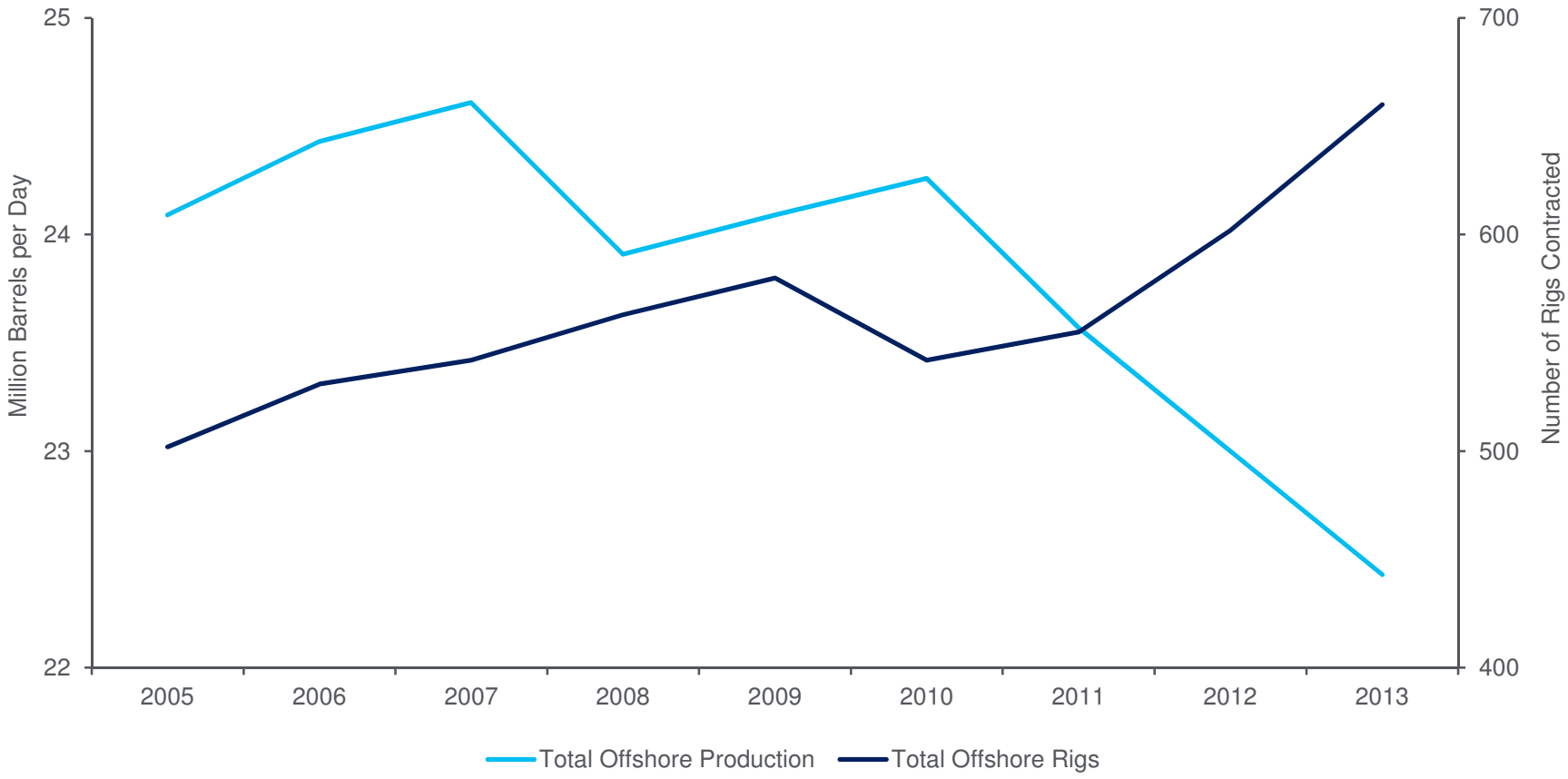


The Q1 2013 dividend was paid in Q4 2012

Upstream Market Outlook



Increased Service Intensity

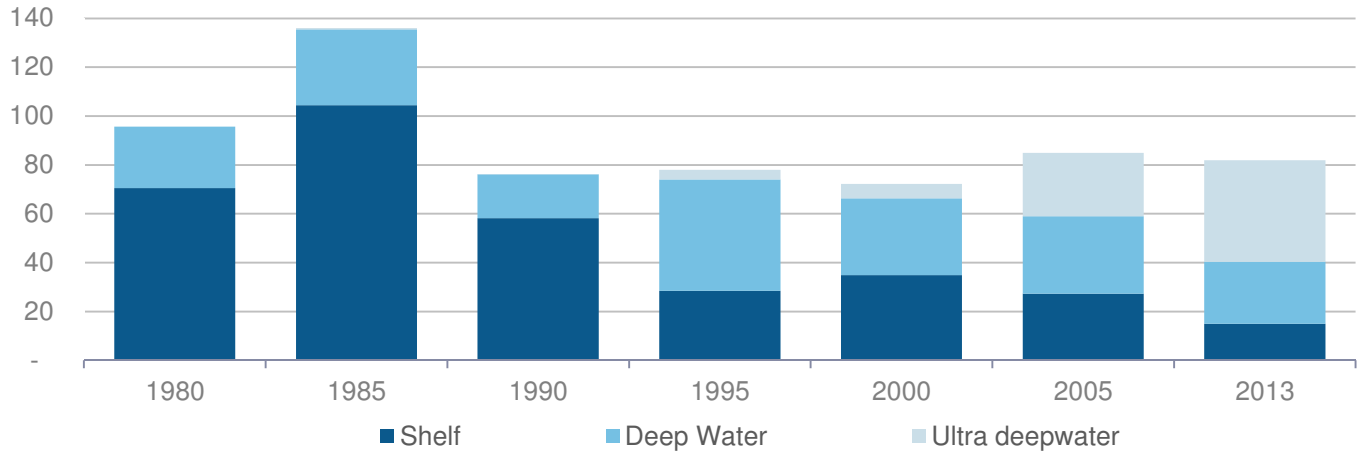


More Rigs Working, but Declining Oil Production

Source: IEA, IHS, Wood Mackenzie, EIA, ODS Petrodata.

Recent Discoveries to Become Produced Volumes

Discovered resources 1980 to 2013 *(Billion boe)*



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

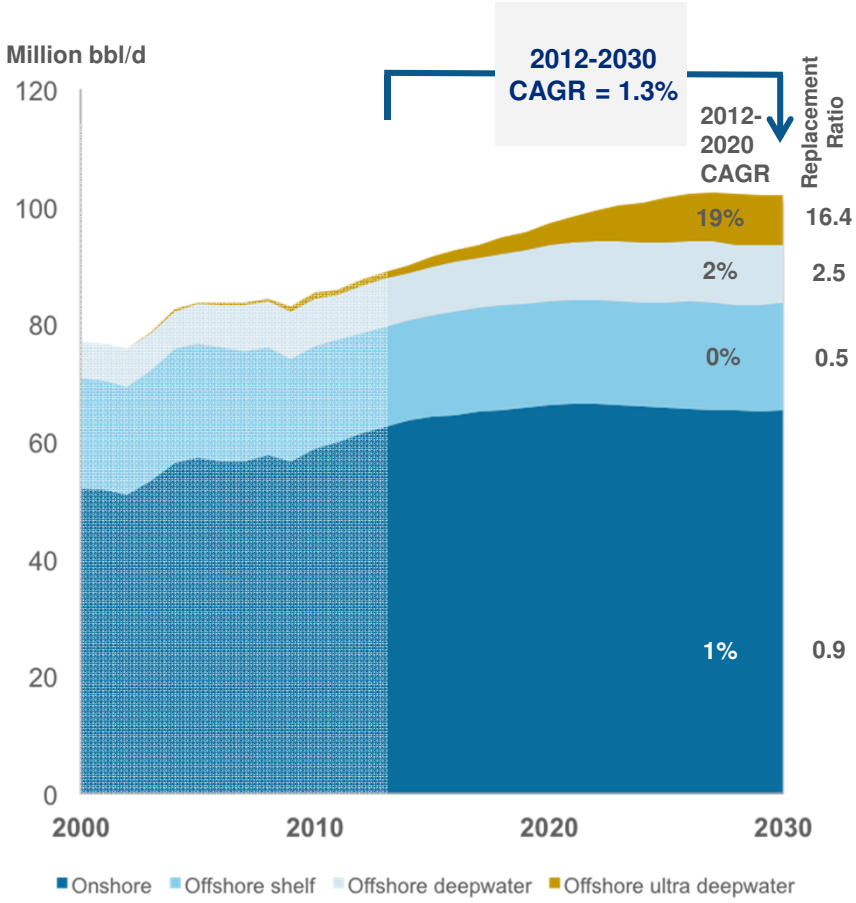
Group	Waterdepth	Produced *Billion boe*	Discovered *Billion boe*	Replacements *Ratio*
Off-shore	Ultra Deepwater - 7500 ft +	1	8	16,4
	Deep - 400 - 7499 ft	63	154	2,5
	Shelf - 400 ft	163	77	0,5
	Total	**227**	**239**	1,1
On-shore	On-shore	485	456	0,9
On-shore Off-shore	**Global**	**712**	**695**	1,0

Source: Rystad Energy research and analysis; UCube

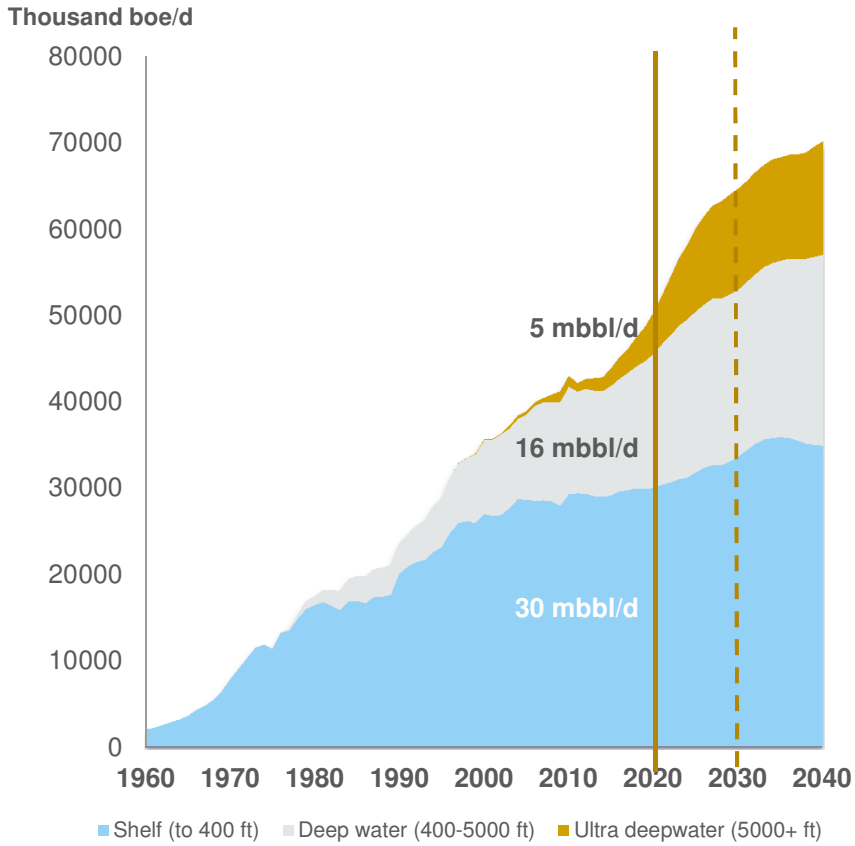
Ultra-Deepwater Production Growth Accelerating

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Global liquids production, by land and water depth

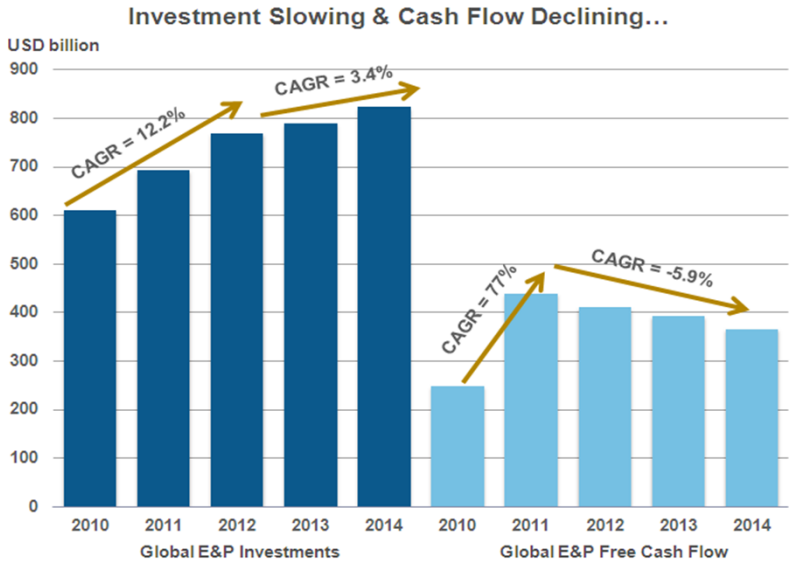


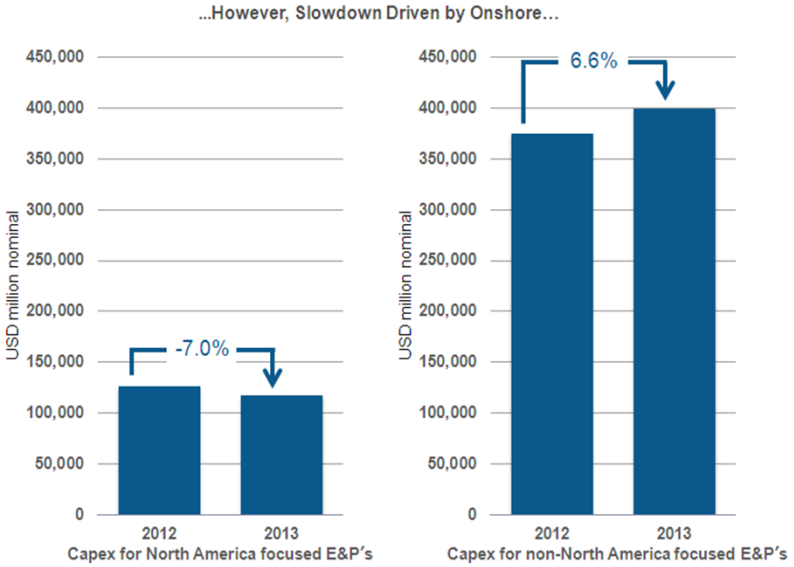
Global offshore production by water depth 1960 - 2040



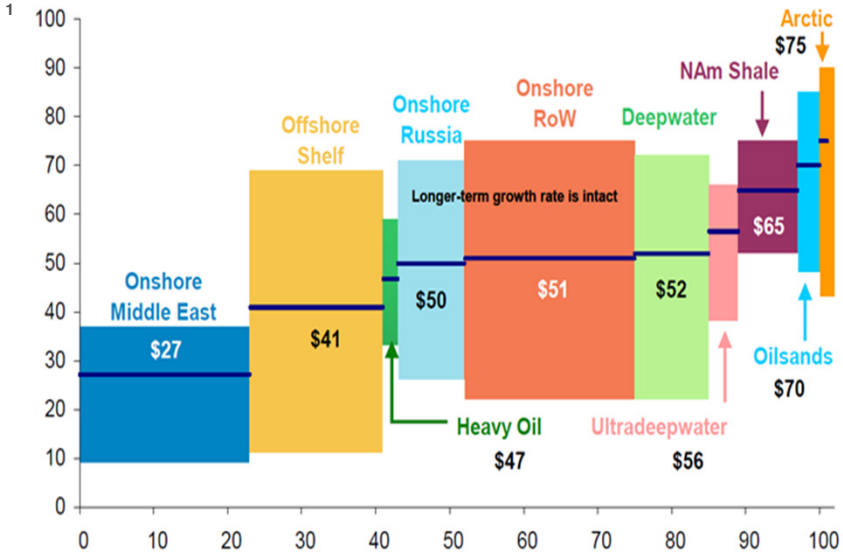
Source: Rystad Energy

Near Term Outlook





[1]



2014 Projects Pushed to 2015

- **Block 32**

→ Total – Angola

- **Mad Dog 2**

→ BP – Gulf of Mexico

- **Stampede**

→ Hess – Gulf of Mexico

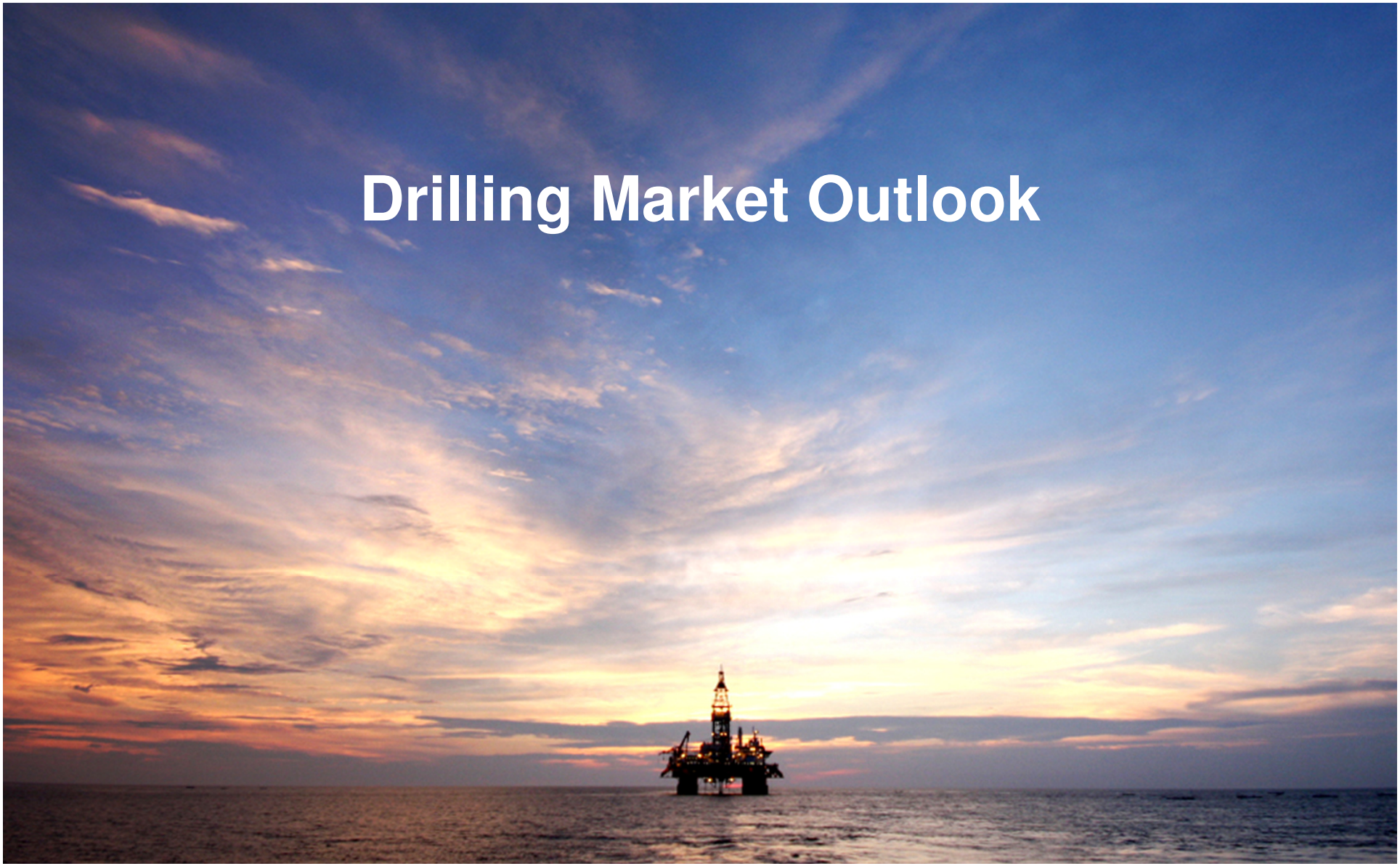
- **Chevron Indonesia**

→ Chevron – Indonesia

- **Bonga**

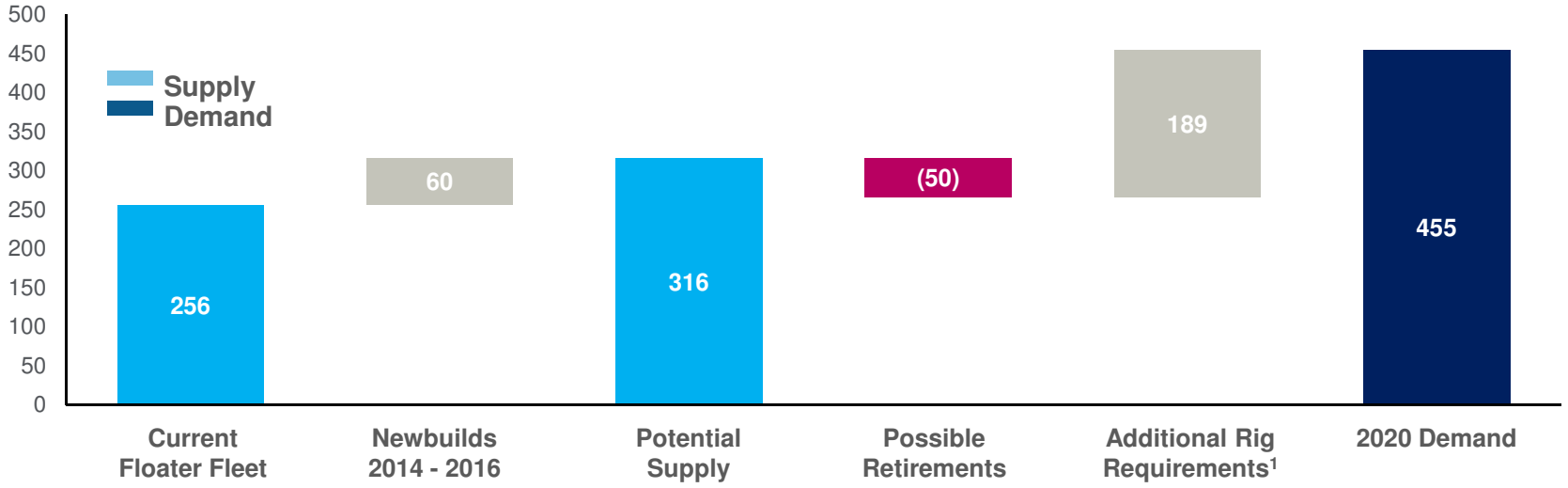
→ 2 rigs - Nigeria

[1] **X-axis: total liquids production mbpd; Y-axis: avg Brent equivalent breakdown price, $/bbl**
Source: Morgan Stanley and Rystad Energy

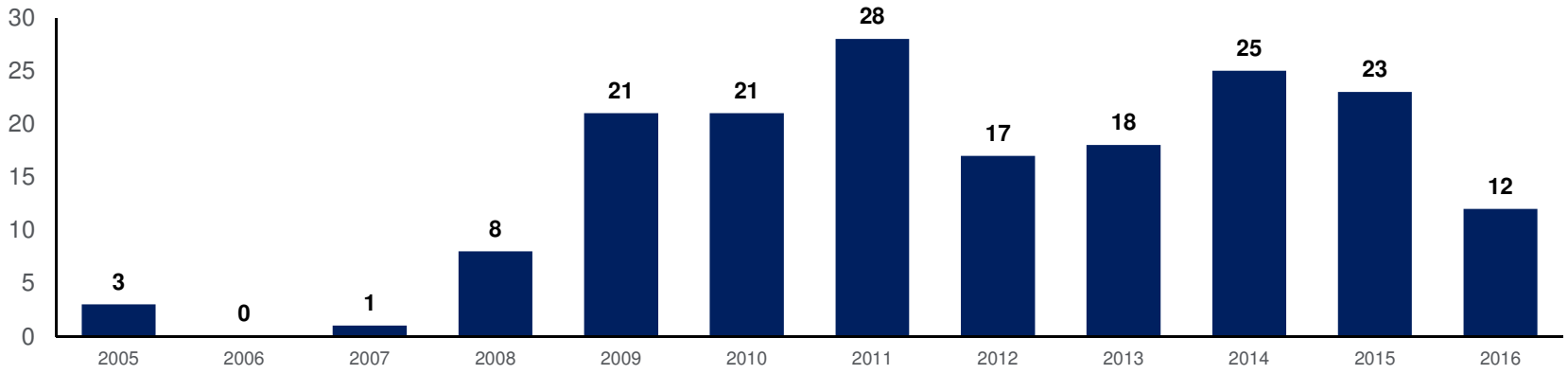

Drilling Market Outlook

Global Rig Supply & Demand Imbalance Favors Contractors

Significant Newbuilds Required to Bridge Expected Demand Gap



Ultra-Deep Water Deliveries



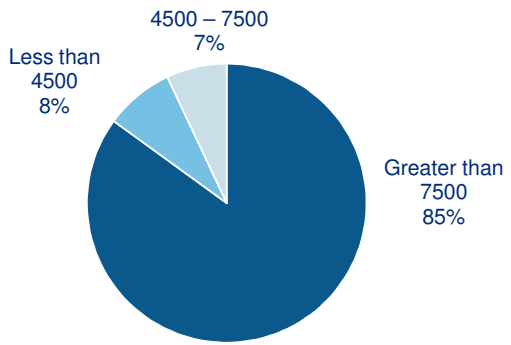
[1] *Includes Brazil rigs*

Source: Rystad Energy, DNB

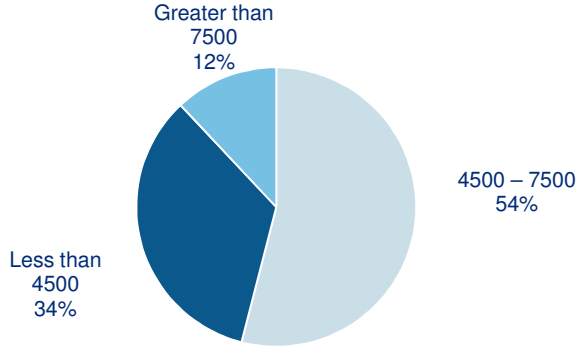
Bifurcation in Deepwater is a Reality

Customers Demand Better Performance and Safety of New Equipment

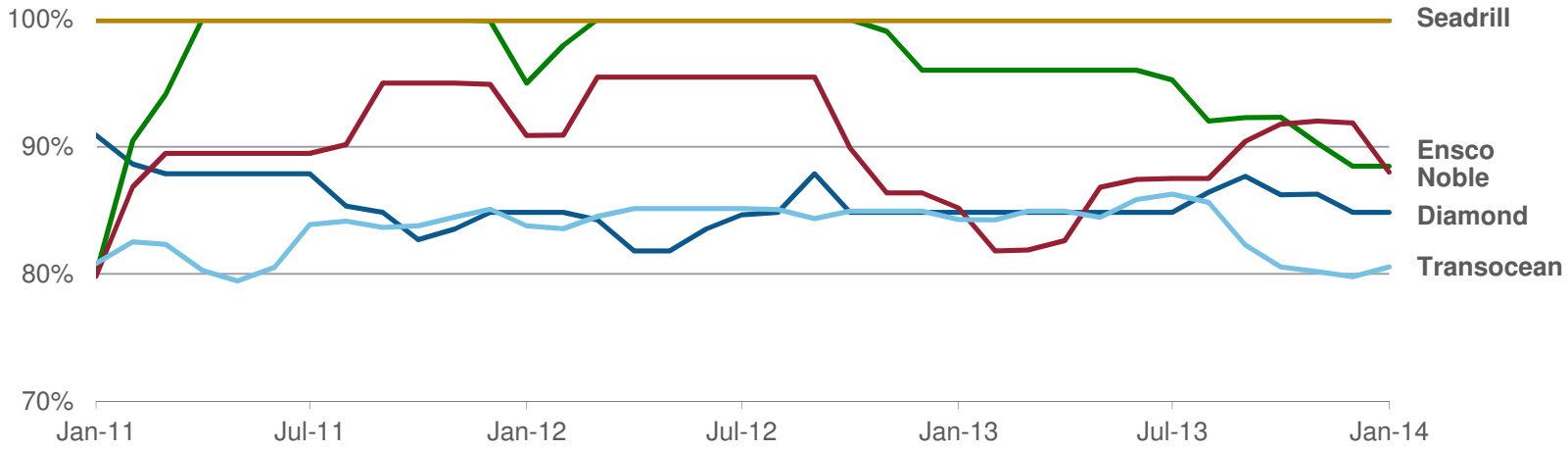
Newbuild water depth



Operating water depth



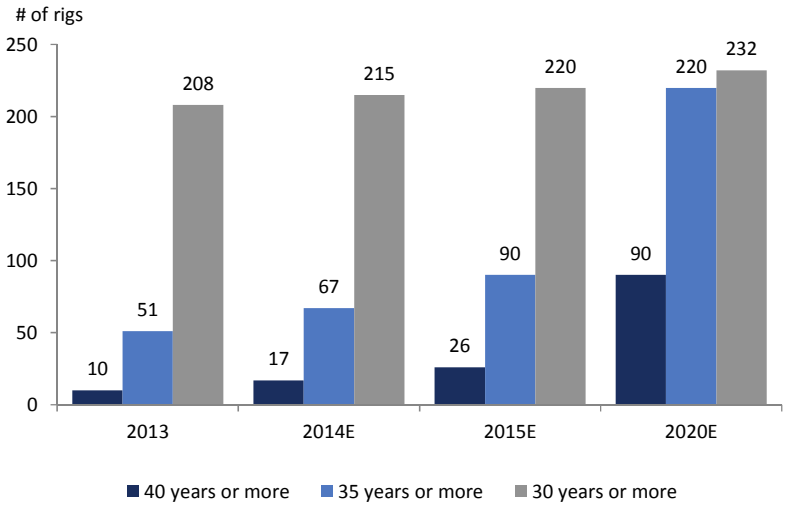
Total floater utilization



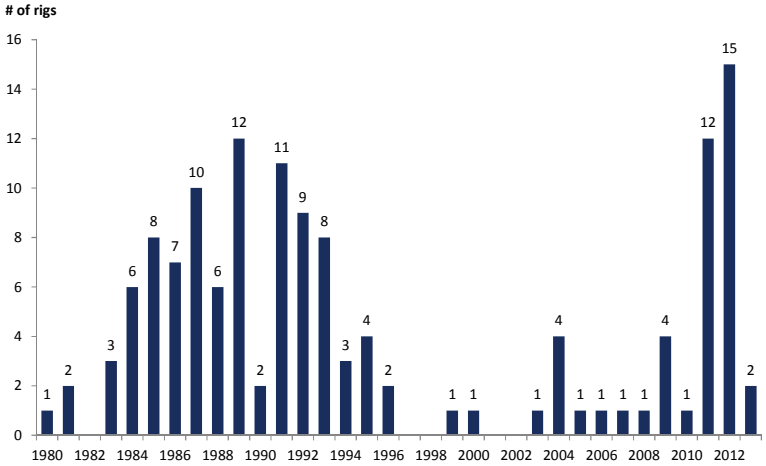
Source: ODS Petrodata

Robust Jack-up Fundamentals

Age Development of Contracted Jack-up Fleet



Jack-ups Removed from the Market



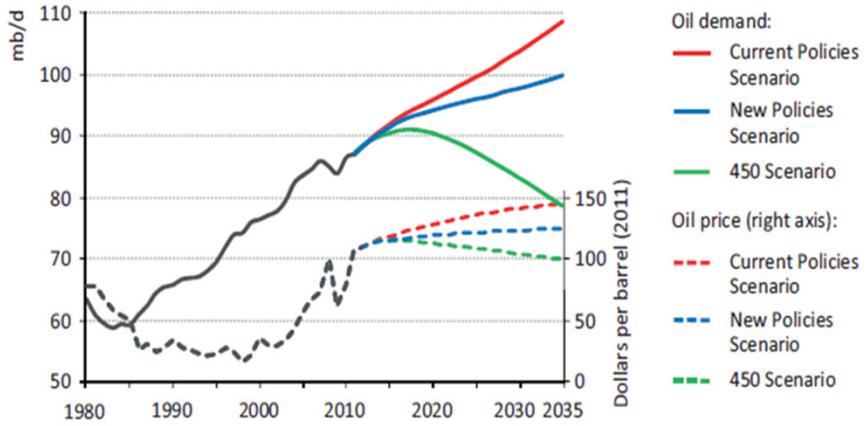
- In 2015 more than 220 of the currently contracted Jack-up fleet will be more than 30 years old
- 90 of the units will be more than 35 years old
- Scrapping & Conversion of older units increased in 2011 and 2012 with trend expected to continue

Source: Pareto


Conclusion

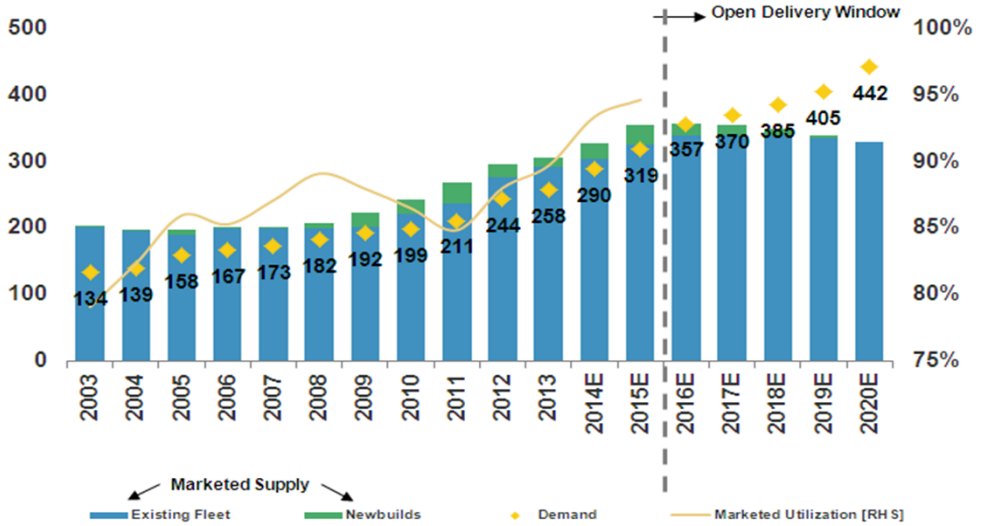
Well Positioned to Weather the Storm…..

World oil demand and oil price* by scenario

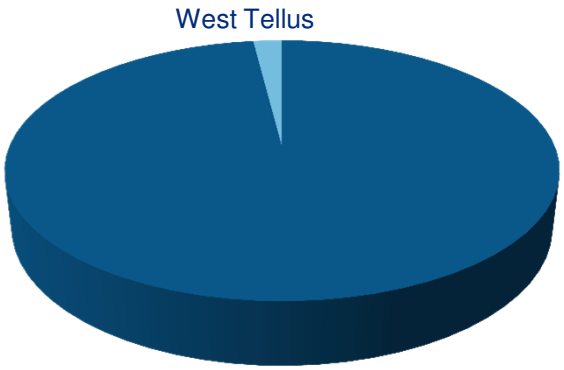


* Average IEA crude oil import price.

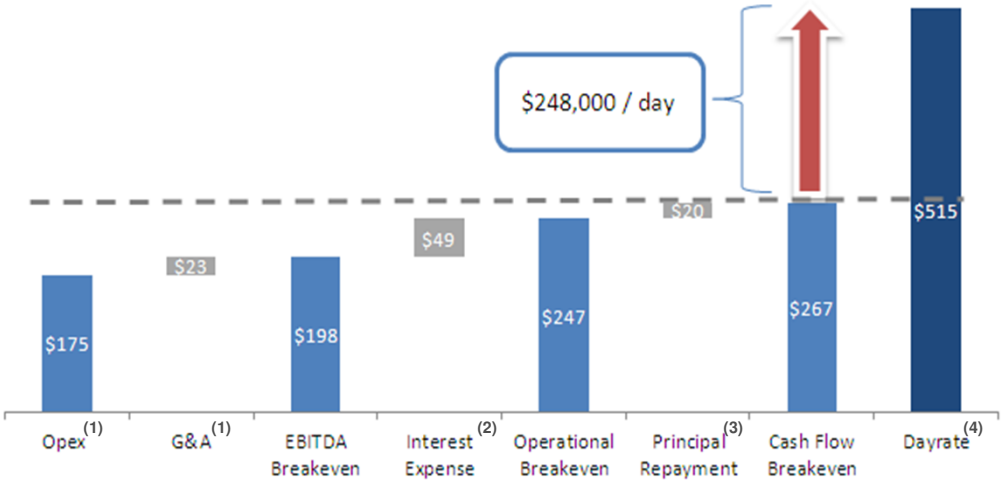
Floater supply and demand



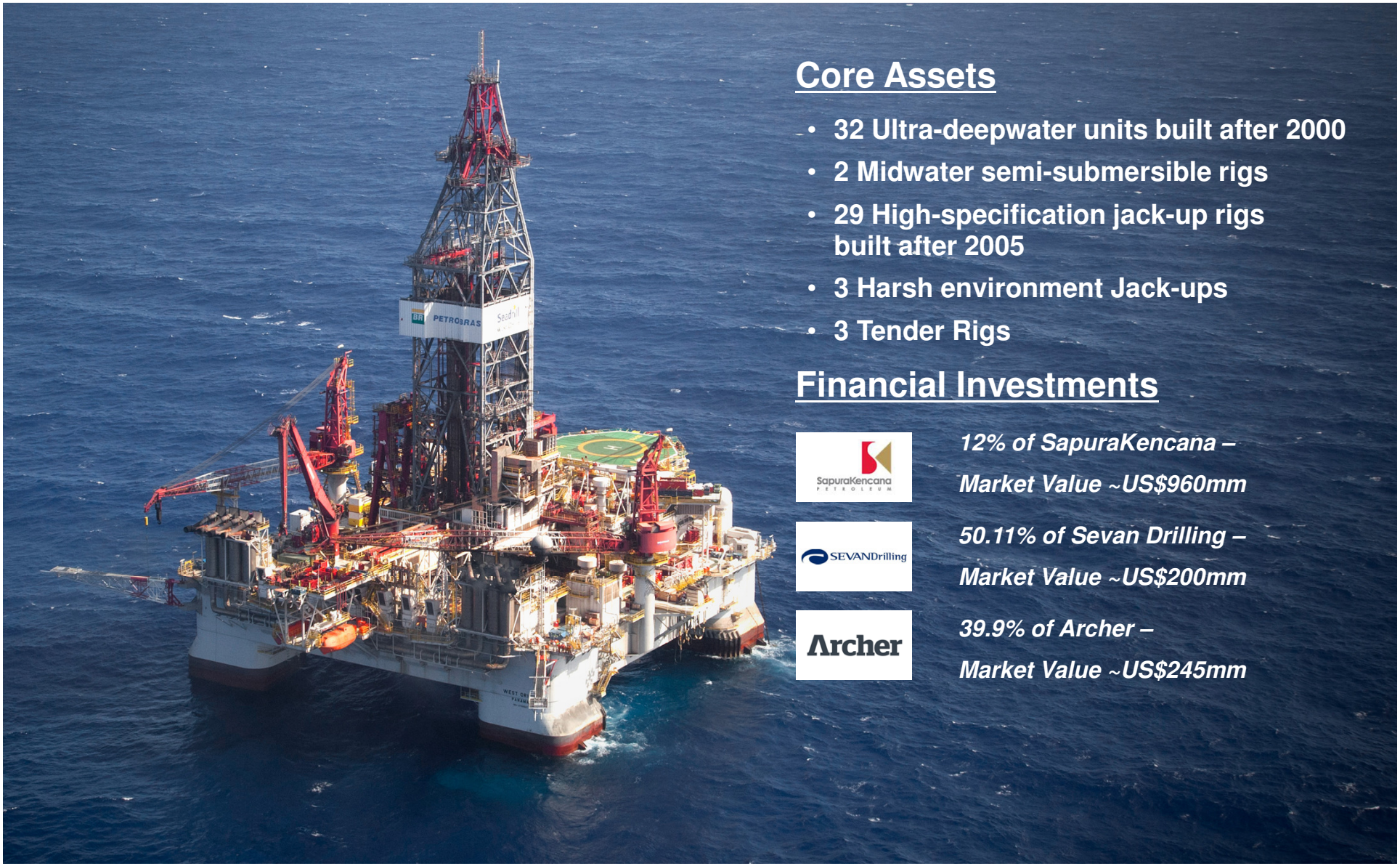
Seadrill UDW Coverage 2014



Illustrative daily liquidity cushion



(1) Based on LTM average for the West Sirius, West Leo, West Aquarius and West Capella
(2) Assuming $1,700 million of debt @4.25%
(3) Assuming 5% amortization per year
(4) Based on average contrat dayrates for West Sirius, West Leo, West Aquarius and West Capella, assumes 95% utilization and 4.25% tax on revenues
Source: Morgan Stanley and Rystad Energy



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$200mm

39.9% of Archer – Market Value ~US$245mm