



Q4 2011 Presentation

Oslo, 1st of March 2012

Disclaimer

This presentation is being made only to, and is only directed at, persons to whom such presentation may lawfully be communicated («relevant persons»). Any person who is not a relevant person should not act or rely on these presentations or any of its contents. Information in the following presentations relating to price at which relevant investments have been bought or sold in the past or the yield on such investments cannot be relied upon as a guide to future performance of such investments. This presentation does not constitute an offering of securities or otherwise constitute an invitation or inducement to any person to underwrite, subscribe for or otherwise acquire securities in Awilco Drilling PLC or any affiliated company thereof. The release, publication or distribution of this presentation in certain jurisdictions may be restricted by law, and therefore persons in such jurisdictions into which this presentation is released, published or distributed should inform themselves about, and observe, such restrictions.

This presentation may include certain forward-looking statements, estimates, predictions, influences and projections with respect to anticipated future performance and as to the market for products or services which may reflect various assumptions made by the management of the Company. These assumptions may or may not prove to be correct and no representation is made as to the accuracy of such statements, estimates, projections, predictions and influences. These statements and forecasts involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. The information and opinions contained in this presentation are subject to change without notice and the Company assumes no responsibility or obligation to update publicly or review any of the forward-looking statements contained herein.

Agenda

1. Highlights Q4 2011
2. Contract Overview
3. Q4 2011 Financial Results and 2011 Preliminary Results
4. Market Outlook
5. Summary
6. Q&A

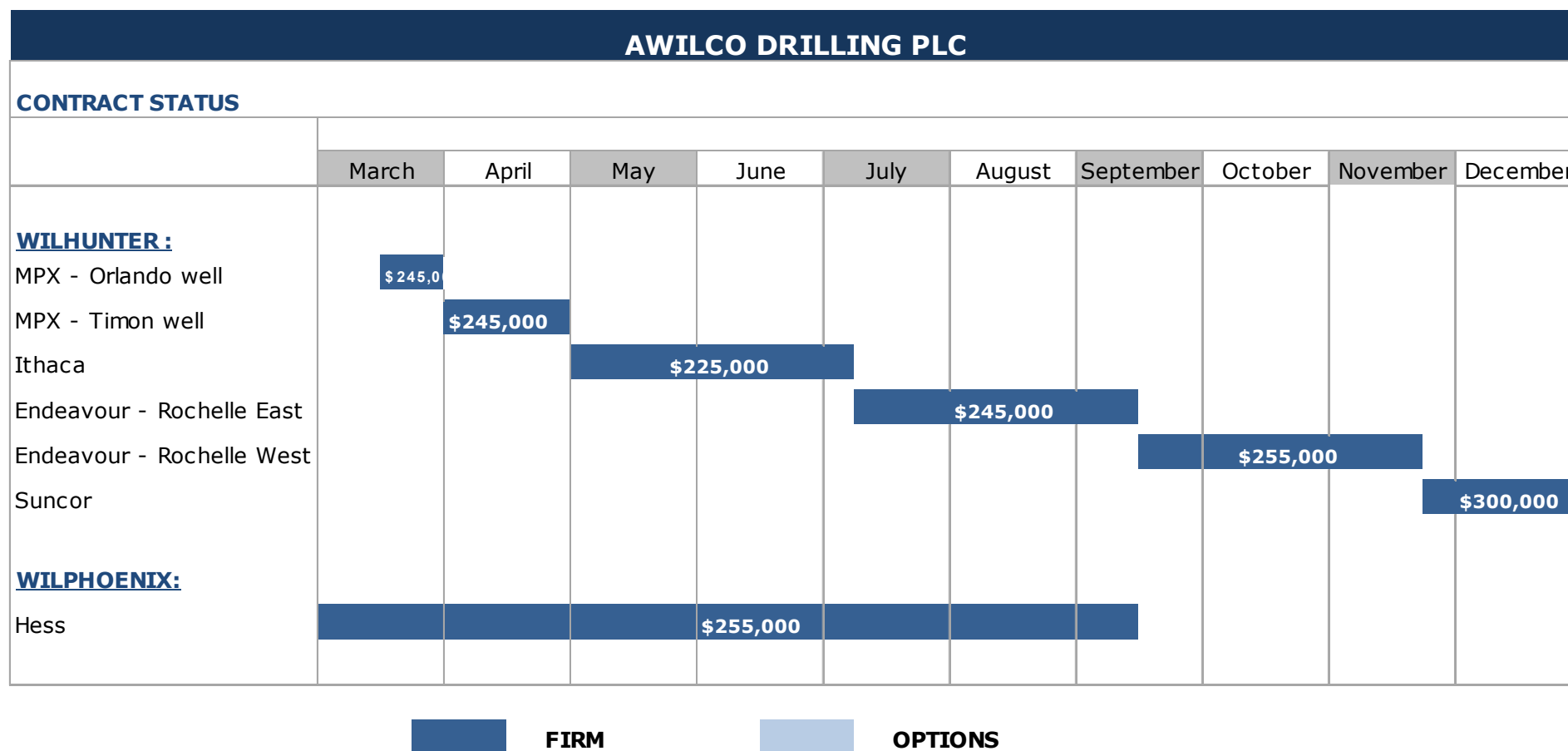
1. Highlights Q4 2011

Q4 2011 Highlights

- Both rigs in continued drilling operations during Q4
- Signed 4 new contracts with total value of approx. USD 130 million
- Total Q4 Revenue approx. USD 40 million; EBITDA USD 24 million
- Q4 Opex per rig approx. USD 71,000 per day

2. Contract Overview

Contract Status



3. Q4 2011 Financial Results and 2011 Preliminary Results

Q4 2011 Income Statement

Condensed statement of comprehensive income in USD thousands, except earnings per share

	Q4 2011	Full Year	Q4 2010	Full Year
	(unaudited)	2 011	(unaudited)	2 010
		(unaudited)		(audited)
Contract revenue	39 492	75 830	8 164	54 963
Reimbursable	185	420	(32)	
Other revenue	9	12	-	
	<u>39 686</u>	<u>76 262</u>	<u>8 132</u>	<u>54 963</u>
Rig operating expenses	12 936	42 416	1 260	3 173
Reimbursable	113	262	(32)	0
General and administrative expenses	2 600	10 393	2 522	5 373
Depreciation	4 360	15 041	2 786	11 995
	<u>20 009</u>	<u>68 113</u>	<u>6 535</u>	<u>20 541</u>
Operating profit/(loss)	<u>19 678</u>	<u>8 149</u>	<u>1 596</u>	<u>34 422</u>
Interest income	25	120	90	119
Interest expense	(3 792)	(14 023)	(6 448)	(16 188)
Other financial items	(129)	2 751	(2 214)	(1 070)
Net financial items	<u>(3 897)</u>	<u>(11 153)</u>	<u>(8 571)</u>	<u>(17 139)</u>
Profit/(Loss) before tax	15 781	(3 003)	(6 975)	17 283
Tax benefit/ (expense)	(1 243)	(114)	1 953	(4 839)
Net profit/(loss)	<u>14 538</u>	<u>(3 117)</u>	<u>(5 022)</u>	<u>12 444</u>
Other comprehensive income	0	-	-	
Total comprehensive income/(loss)	<u>14 538</u>	<u>(3 117)</u>	<u>(5 022)</u>	<u>12 444</u>
Attributable to minority interests	0	0	0	0
Attributable to shareholders of the parent	14 538	(3 117)	(5 022)	12 444
Basic and diluted earnings per share	0,48	(0,11)	(0,19)	0,85

Q4 2011 Balance Sheet

Condensed statement of financial position

in USD thousands

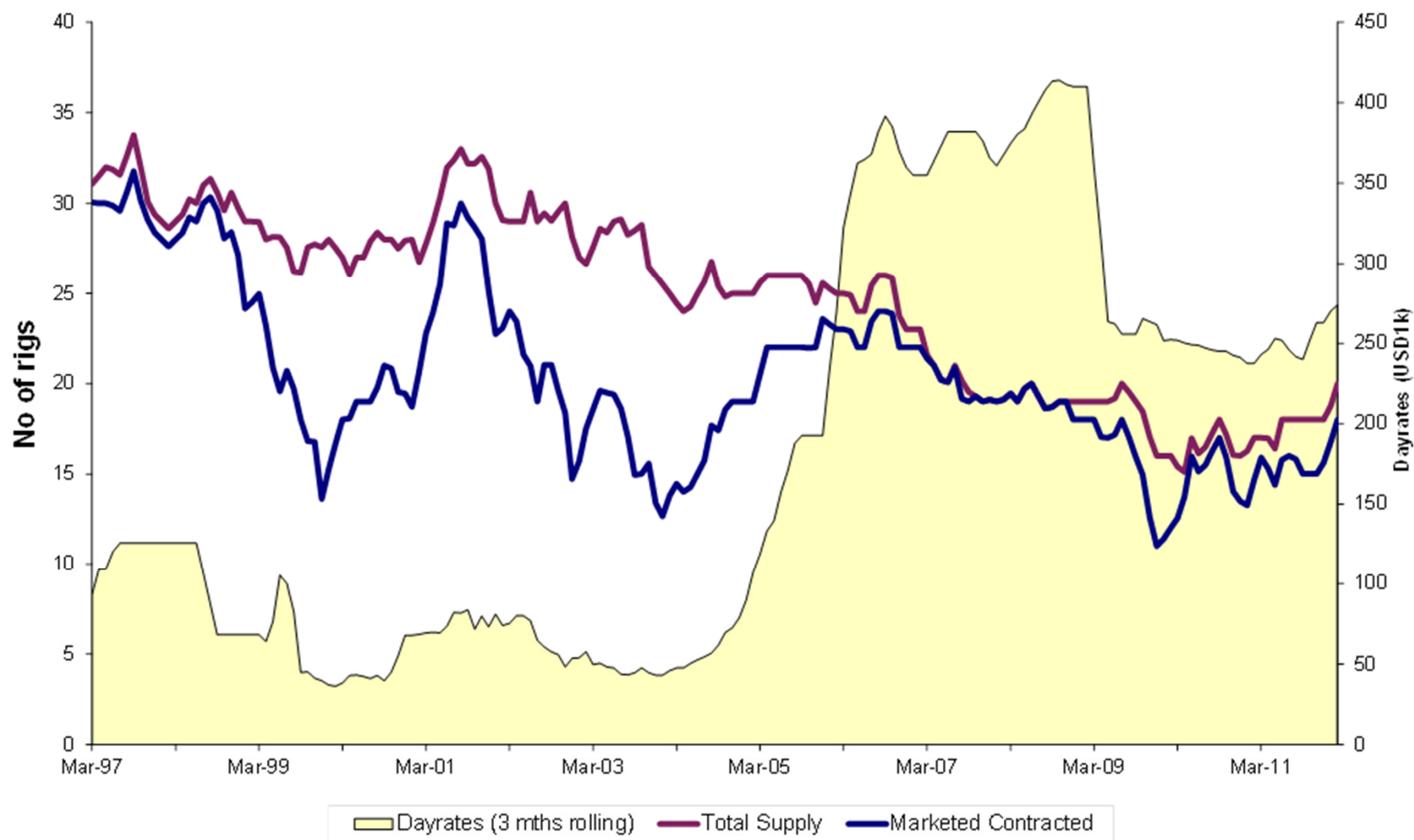
	31.12.2011 (unaudited)	31.12.2010 (audited)
Rigs, machinery and equipment	262 573	209 323
Other non-current assets		0
	<u>262 573</u>	<u>209 323</u>
Trade and other receivables	8 857	912
Prepayments and accrued revenue	14 271	0
Inventory	4 800	4 517
Derivative financial instruments	0	392
Cash and cash equivalents	25 100	67 707
	<u>53 028</u>	<u>73 528</u>
Total assets	<u>315 601</u>	<u>282 851</u>
Paid in capital	130 142	111 387
Other Equity	9 327	12 444
	<u>139 469</u>	<u>123 831</u>
Deferred tax liability	0	4 839
Long-term interest-bearing debt	109 098	125 097
Other non-current liabilities	0	0
	<u>109 098</u>	<u>129 936</u>
Current portion of long-term debt	45 667	9 250
Trade and other creditors	3 124	13 953
Accruals and provisions	15 597	5 881
Current tax payable	2 647	
	<u>67 035</u>	<u>29 084</u>
Total equity and liabilities	<u>315 601</u>	<u>282 851</u>

Dividend Prospects

- 2012 scheduled debt repayment approx. USD 46 million
- 2013 scheduled debt repayment approx. USD 11 million
- Strong free cash flow generated in 2013 and onwards should enable significant dividend payments
- Dividend normally to be distributed on quarterly basis expected to start 1H 2013
- Dividend payment not to exclude profitable investments

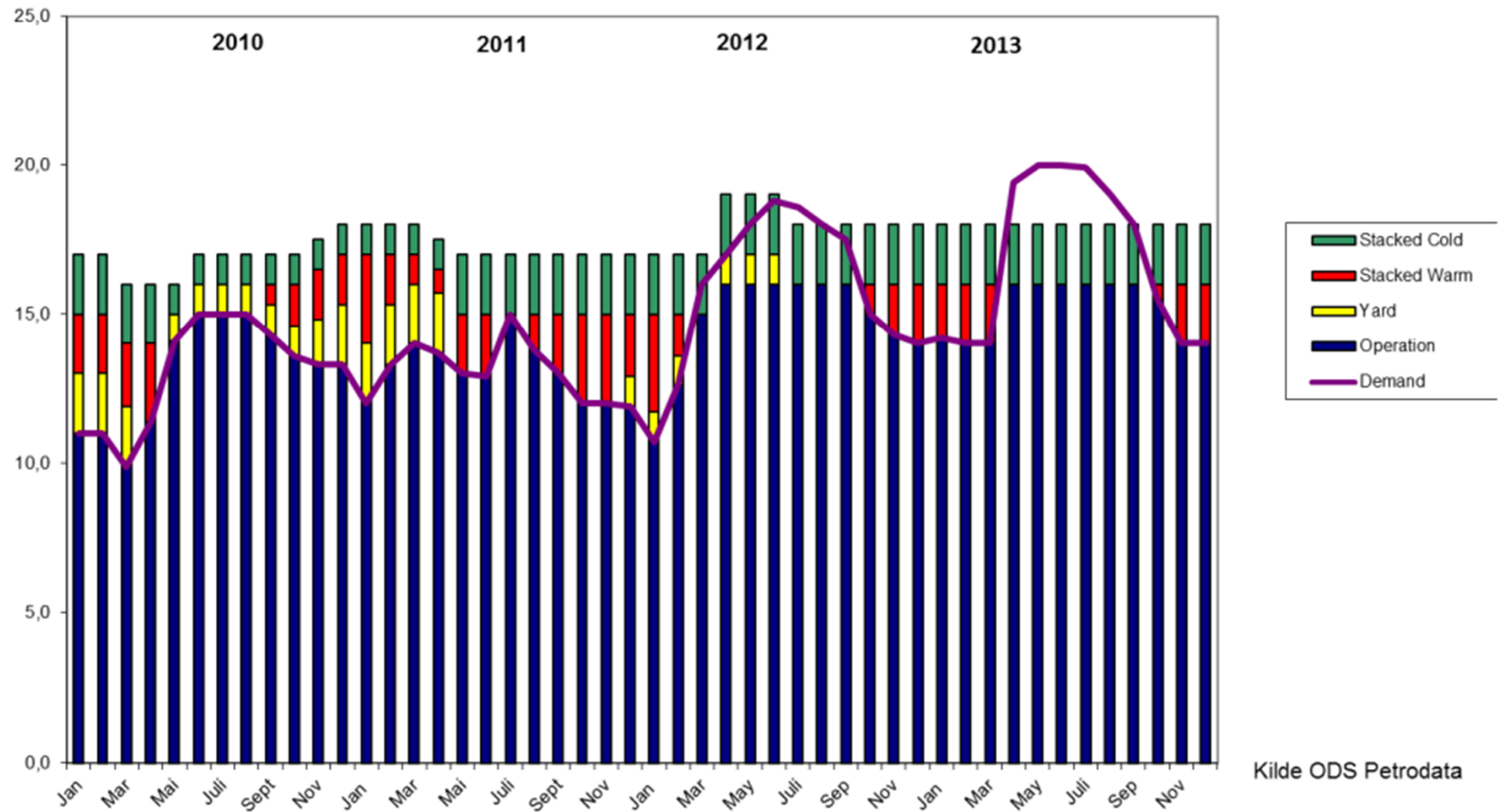
4. Market Outlook

The UK Market is Tight...

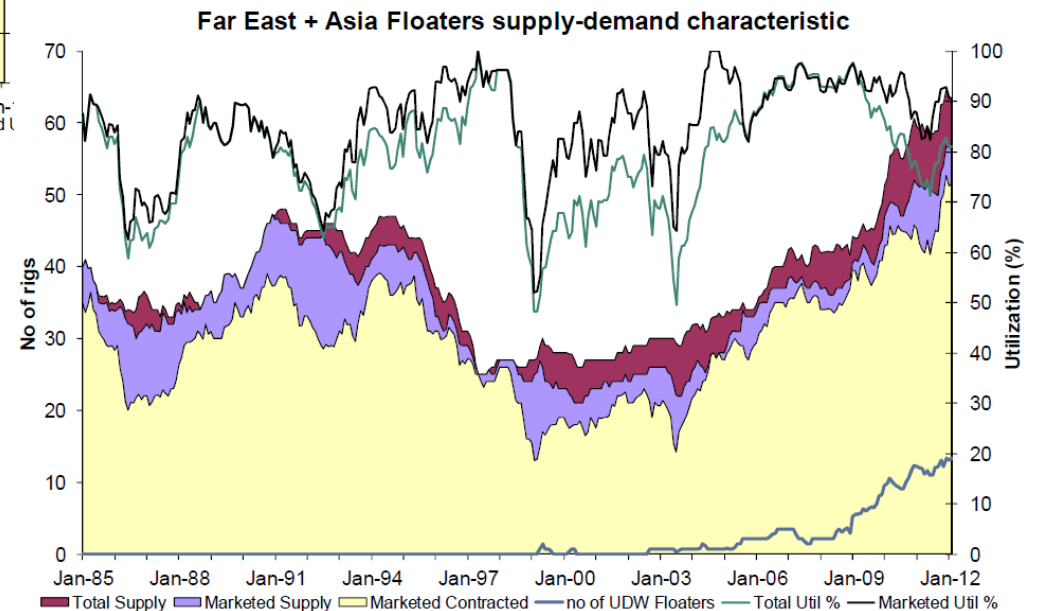
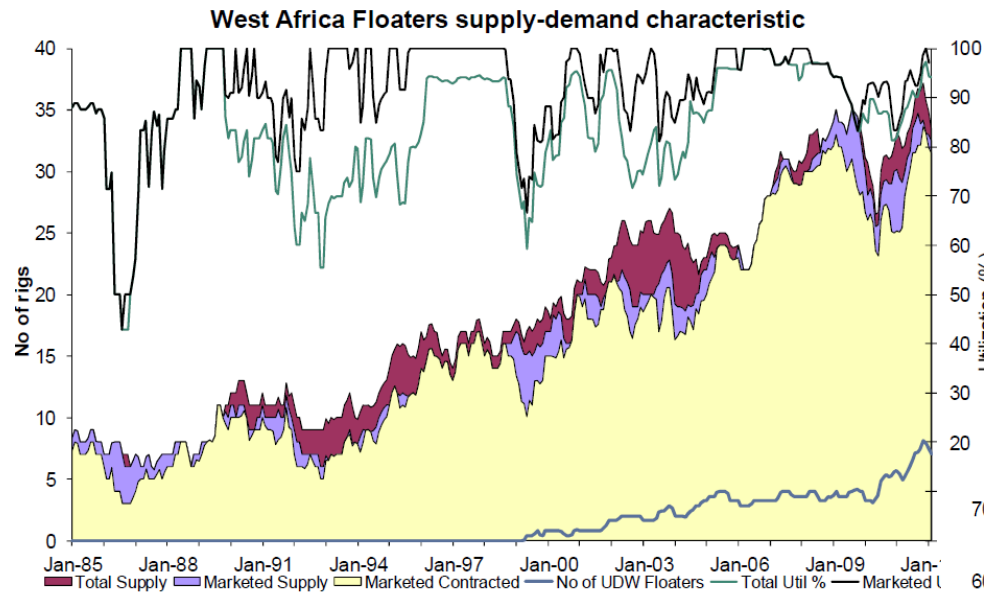


Source: Fearnley

..and this is Expected to Continue in 2013...

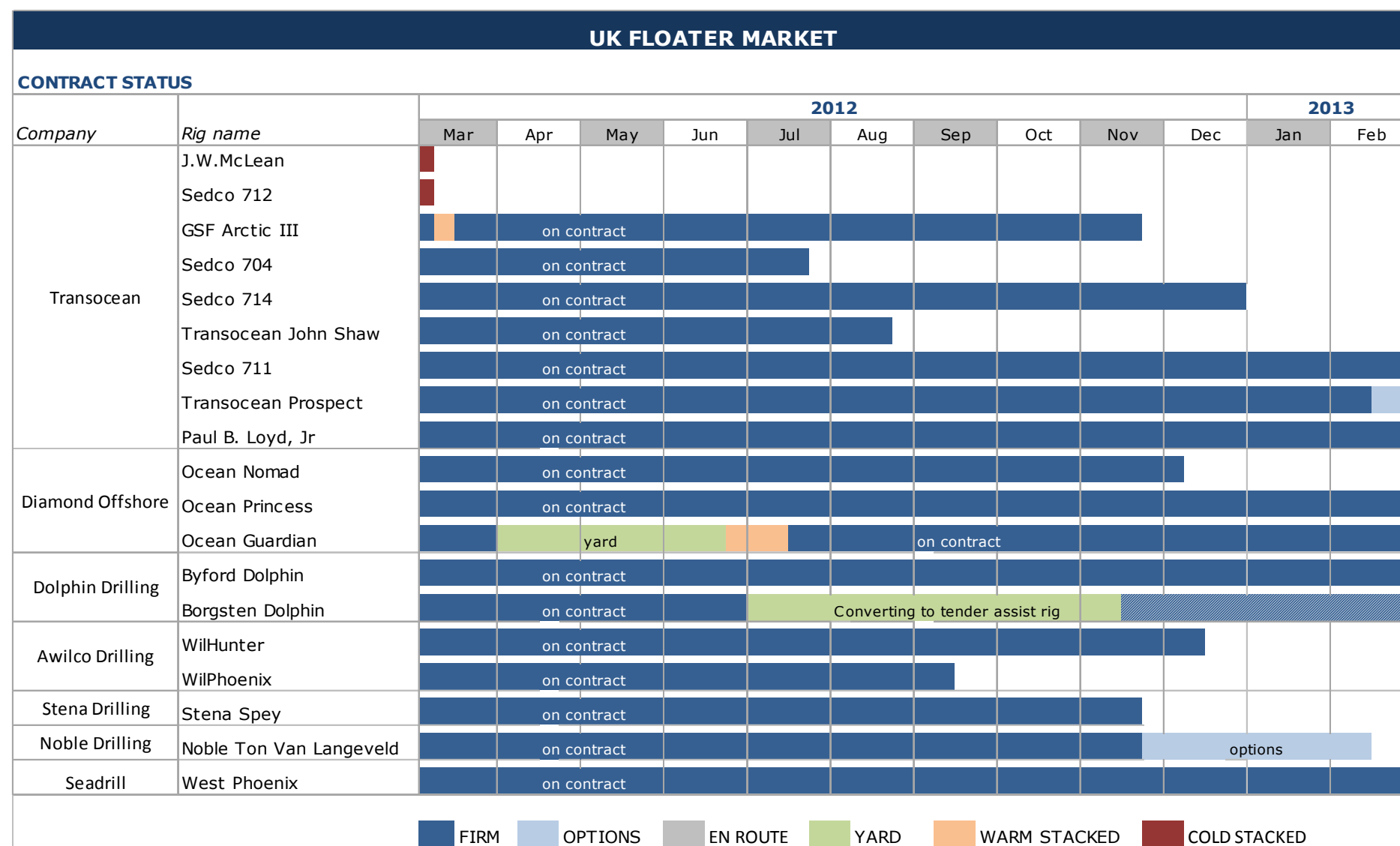


...but int'l markets also improving – limited influx going forward



Source: Fearnley and ODS-Petrodata

Limited Rig Availability during 2012 – AWDR well positioned



Source: ODS-Petrodata

Buoyant UK Market

- Dayrates are increasing
- More and longer drilling programmes are coming to the market
- Little influx of new rigs to the UK
- Financial markets are again engaging with the small operators

5. Summary

Summary

We've experienced some short term «waves»...



...but long term fundamentals are robust!

Q&A