



Conference Call – 2Q 2014 Results

August 27, 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, 2013 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.



Seadrill Second Quarter Call Agenda



- Highlights 2Q 2014
- Subsequent events during 3Q 2014
- Seadrill Strategy & Market Outlook
- Financial Performance Highlights
- Appendix: Seadrill Limited Financials

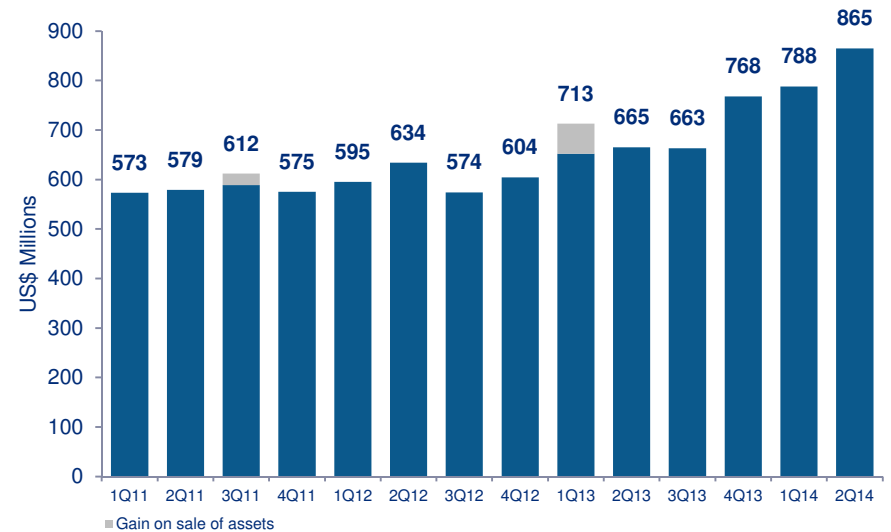


Record Breaking Earnings

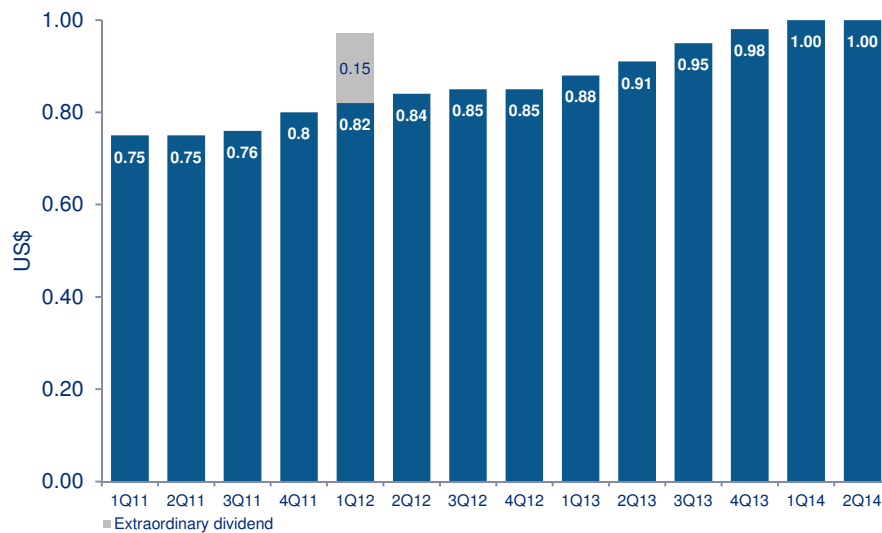


- Seadrill Group generates consolidated EBITDA of US\$865 million for the second quarter 2014
- Economic utilization for the Group’s floaters on a consolidated basis was 94 percent
- Seadrill Limited maintains the quarterly cash dividend of \$1.00 dollar per share

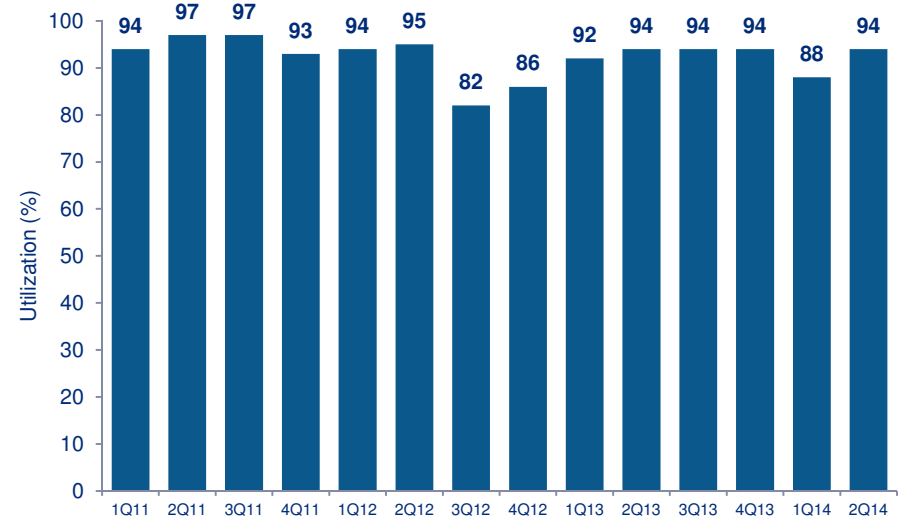
Quarterly EBITDA (proforma consolidated)



Dividend distribution per share



Ultra-Deepwater Economic Utilization (proforma consolidated)



Second Quarter 2014

- Seadrill secures contracts for the jack-up units West Tucana, West Telesto, West Ariel, and West Prospero and extends contract for the West Mischief. The total revenue potential for the new contracts is approximately US\$433 million.
- Seadrill sells 230 million shares of SapuraKencana raising approximately US\$300 million in proceeds.
- North Atlantic Drilling announces extensive Investment and Co-operation Agreement with Rosneft to partner in the Russian market.
- Seadrill secures a contract for employment of the newbuild ultra-deepwater drillship West Jupiter. The contract is for a firm period of 5 years and has a total revenue potential for the primary contract term of approximately US\$1.1 billion.
- Seadrill Partners completes US\$1.1 billion add-on term loan B

Subsequent Events



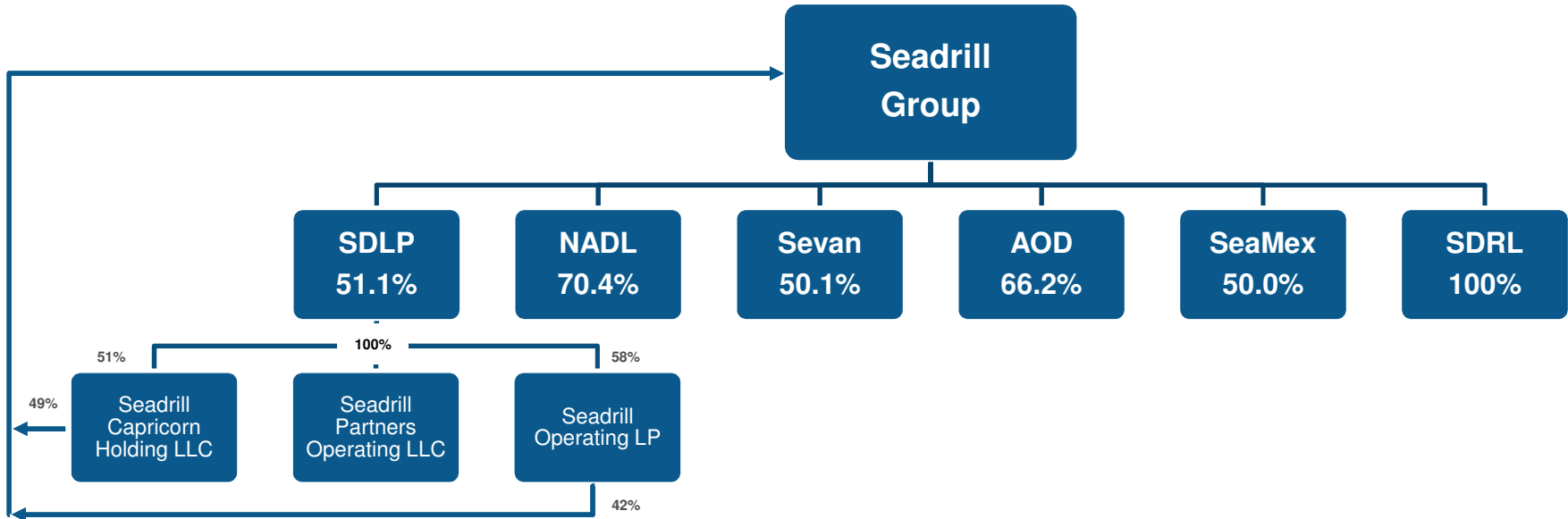
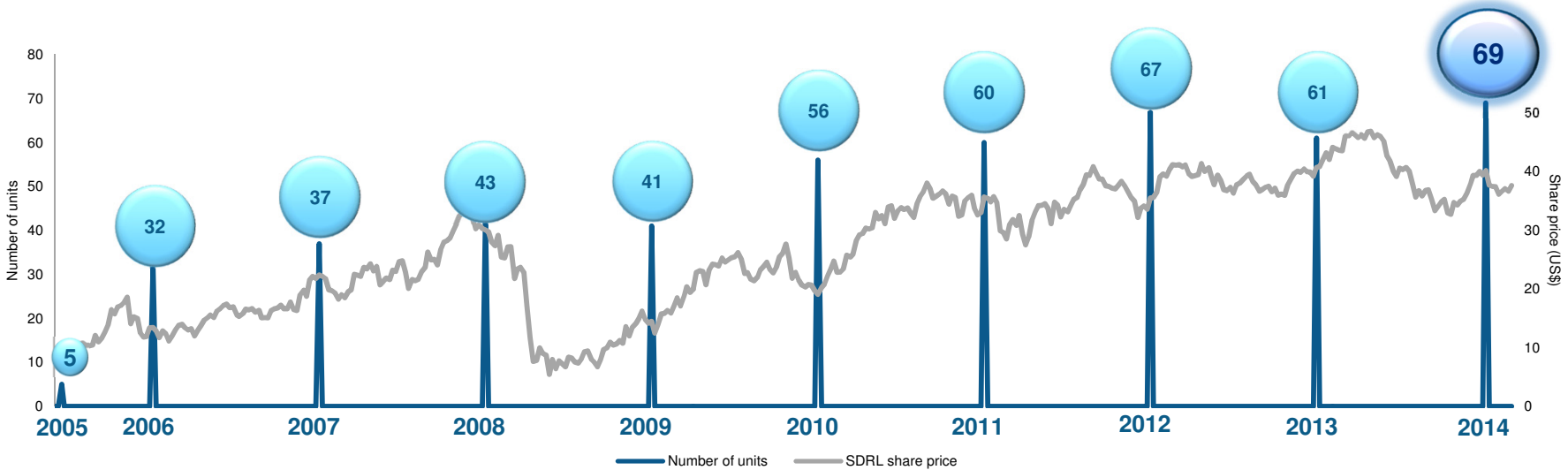
Third Quarter 2014

- Seadrill and SapuraKencana's Joint Venture commenced operations of its first pipe-laying support vessel for Petrobras for a period of five years with an extension option for an additional five years. Total revenue potential for the firm contract period is estimated at US\$445 million.
- Seadrill receives commitments for a US\$1.35 billion credit facility to refinance the credit facilities secured by the West Pegasus, West Gemini, and West Orion
- Seadrill completes voluntary exchange offer for US\$650mm convertible bond.
- Seadrill sells an additional 28% interest in Seadrill Operating LP to Seadrill Partners for approximately US\$373 million.
- North Atlantic Drilling secures 5 contracts with Rosneft commencing in Russian waters from 2015 through 2017 with a total revenue potential for the primary contract term of US\$4.1 billion.
- Seadrill secures a contract with ExxonMobil for the West Saturn in Nigeria. The contract is for a firm period of two years plus a one year option and has a total revenue potential for the primary contract term of approximately US\$497 million, inclusive of mobilization.
- North Atlantic Drilling enters into agreement to acquire a significant portion of Rosneft's land drilling fleet in Russia. Rosneft will receive a 30% ownership stake in NADL.
- Seadrill completes US\$1.5 billion ECA facility to finance the West Saturn, West Neptune, and West Jupiter.

Seadrill Strategy & Market Outlook



Evolution of Seadrill



Floater – US\$17.4 Billion Contract Backlog



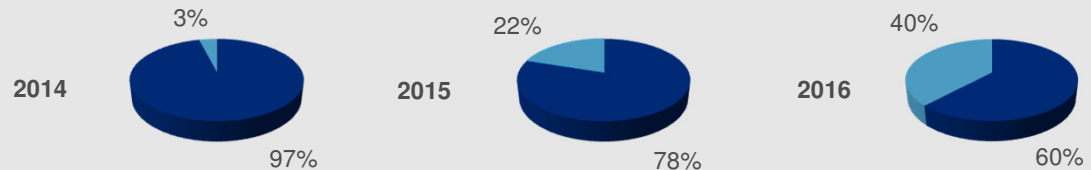
Unit	Customer	2014			2015				2016				2017			
		2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Drillships	West Tellus	Chevron	\$635													
	West Carina	-	Newbuild													
	West Draco	-	Newbuild													
	West Dorado	-	Newbuild													
	West Aquila	-	Newbuild													
	West Libra	-	Newbuild													
	West Saturn	ExxonMobil	Newbuild													
	West Capella	ExxonMobil	US\$627,500													
	West Gemini	Total	US\$656,000													
	West Neptune	LLOG	Newbuild	Transit												
	West Polaris	ExxonMobil	US\$656,736													03.2018
	West Jupiter	Total	Newbuild	Transit												11.2019
	West Navigator	Shell / Centrica Energi NUF / Rosneft	US\$589'	US\$628'												01.2020
	West Auriga	BP	US\$565,000													10.2020
West Vela	BP	US\$565,000													11.2020	

Semi-submersibles	Sevan Developer	-	Newbuild														
	West Taurus	Petrobras	US\$656,662														
	West Eminence	Petrobras	US\$624,460														
	West Venture	Statoil	US\$448,000														
	West Phoenix	Total	US\$465,000														
	Sevan Driller	Petrobras	US\$421,641														
	West Orion	Petrobras	US\$624,460														
	West Pegasus	PEMEX	US\$555'	US\$461,362											Market Rate		
	West Eclipse	Total	US\$450,000												US\$455,000		
	Sevan Louisiana	LLOG	US\$505,000														
	West Aquarius	ExxonMobil	US\$540,000												US\$615,000		
	West Hercules	Statoil	US\$503,000												US\$503,000		
	West Capricorn	BP	US\$495,650												US\$495'		
	West Leo	Tullow Oil	US\$605,000												07.2018		
	Sevan Brasil	Petrobras	US\$396,572												07.2018		
	West Sirius	BP	US\$490	US\$535,000											07.2019		
	West Mira	Husky	Newbuild												Transit	US\$590,000	06.2020
	West Rigel	Rosneft	Newbuild													Rosneft	07.2020
	West Alpha	ExxonMobil / Rosneft	US\$537,000													US\$552,000	Rosneft

Option Yard or transit period

Contract coverage

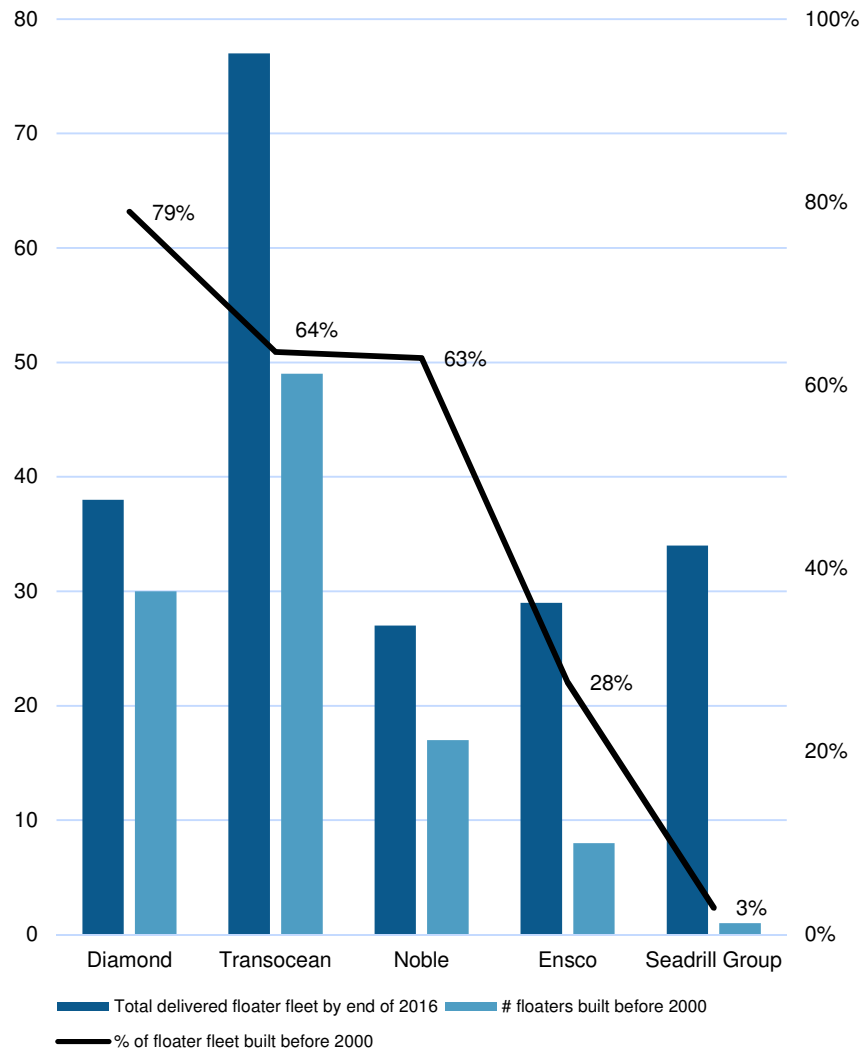
Contracted
Uncontracted



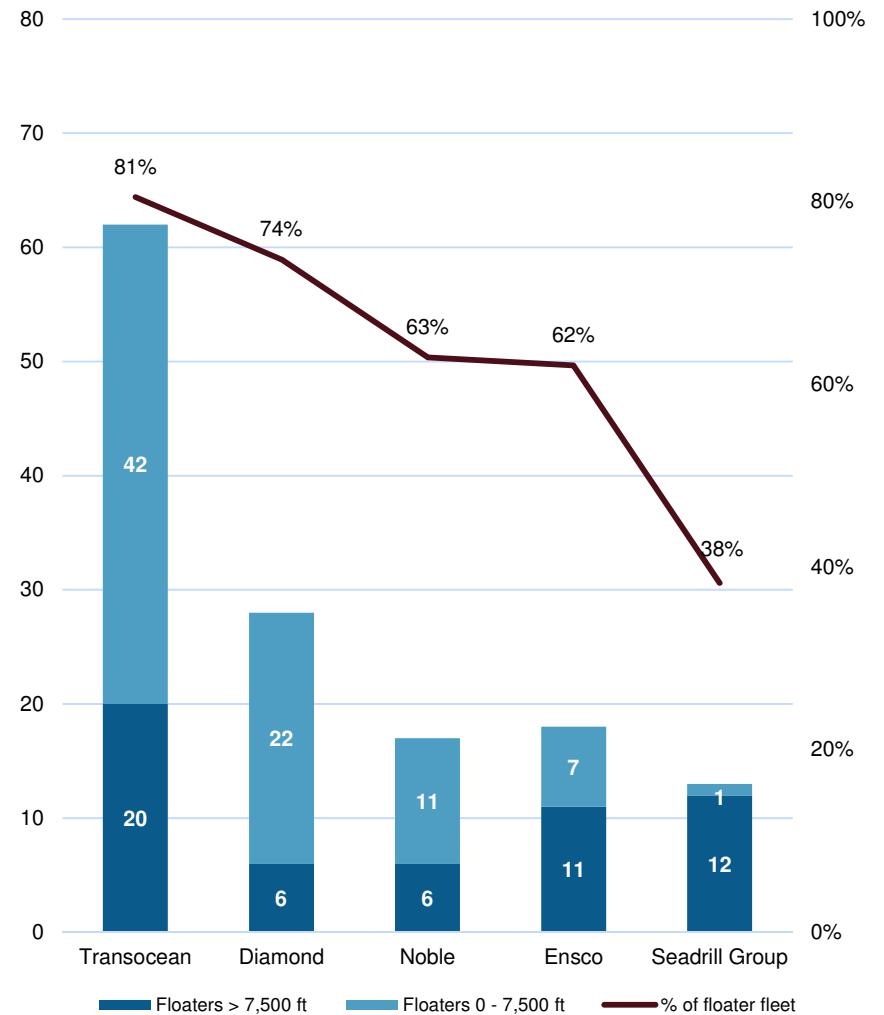
Strongest Fleet Profile in the Industry



Floater Age



Free and Clear Floater Availability Until End of 2016



Source: IHS PetroData

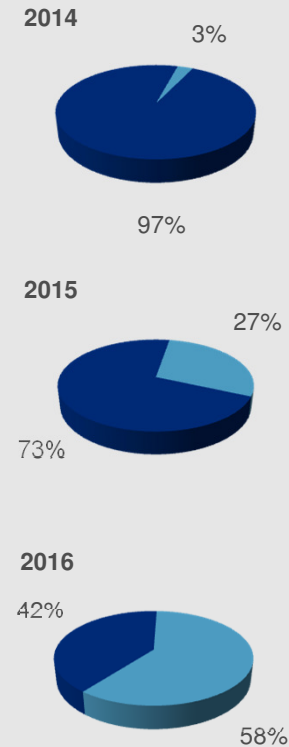
- Free and Clear
- Includes stacked units
- Total fleet measured including deliveries until end of 2016

Jack-ups - US\$5.5 Billion Contract Backlog



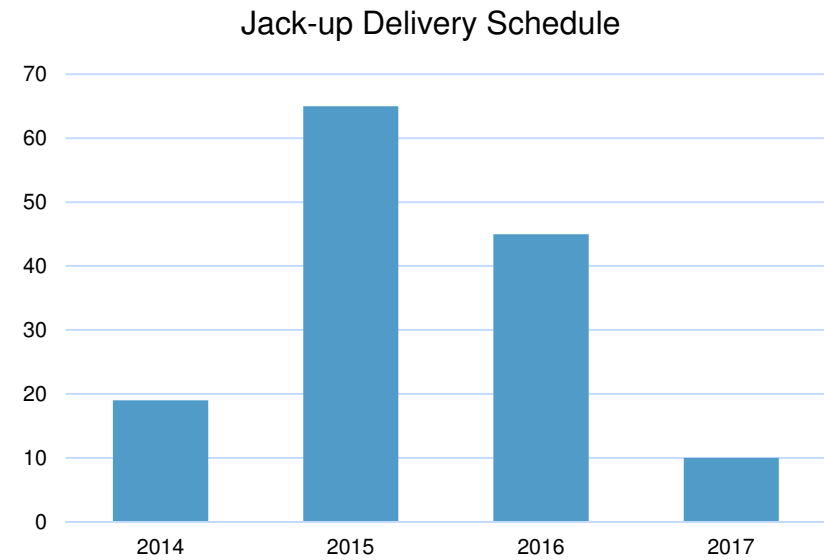
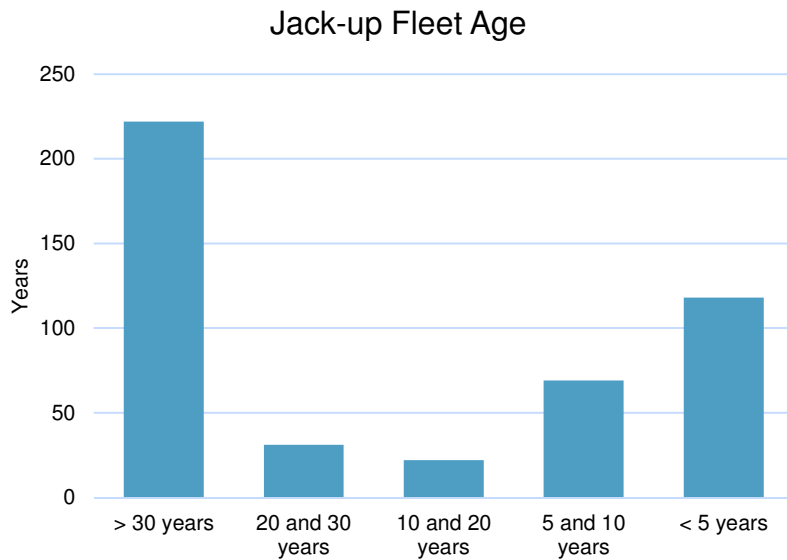
	Unit	Customer	2014			2015				2016				
			2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	
HE Jack-ups	West Epsilon	Statoil	US\$289,000											
	West Elara	Statoil	US\$365,000											
	West Linus	ConocoPhillips	US\$377,000											
BE Jack-ups	West Titania	-	Transit											
	West Cressida	PTTEP / Kris Energy	US\$129 \$155											
	West Vigilant	Talisman	US\$167,000											
	West Triton	KJO	US\$145,000											
	West Titan	-	Newbuild											
	West Leda	ExxonMobil	US\$165,000											
	West Telesto	Premier / Origin Energy Limited	US\$156,975			US\$265,000								
	West Mischief	ENI	US\$175,000			US\$195,000								
	West Proteus	-	Newbuild											
	West Rhea	-	Newbuild											
	West Tethys	-	Newbuild											
	West Hyperion	-	Newbuild											
	West Umbriel	-	Newbuild											
	West Dione	-	Newbuild											
	West Prospero	Lundin	US\$155,700											
	AOD I	Saudi Aramco	US\$180,000											
	West Castor	Shell	US\$155,000											
	AOD II	Saudi Aramco	US\$180,000											
	West Mimas	-	Newbuild											
	West Ariel	ENI	US\$205,000											
	AOD III	Saudi Aramco	US\$180,000											
	West Resolute	KJO	US\$140,000						US\$140,000					
	West Callisto	Saudi Aramco	US\$150,000						US\$150,000					
	West Freedom	Repsol / Cardon IV	US\$225,000											
	West Tucana	PVEP / Cabina Gulf Oil	US\$167,000			Transit			US\$220,000			05.2017		
	West Oberon	PEMEX	US\$171,500											
	West Defender	PEMEX	US\$155,500											
West Intrepid	PEMEX	US\$155,500												
West Courageous	PEMEX	US\$155,500												

■ Contracted
■ Uncontracted



Note: Backlog generated by the tender rigs (T15, T16 and West Vencedor) is US\$0.4 billion. Proforma consolidated backlog

Jack-Up Market Fundamentals



- Current Jack-up market is tight, however...
- 139 Jack-ups to be delivered until the end of 2017, or ~30% addition to supply
→ This picture is not as bad as it seems...
- 222 rigs in the current fleet are in excess of 30 years old, and scrapping of units likely
- Long term fundamentals are intact, operators continue to appreciate benefits of high specification units

Financial Performance Highlights



Financial Performance Highlights



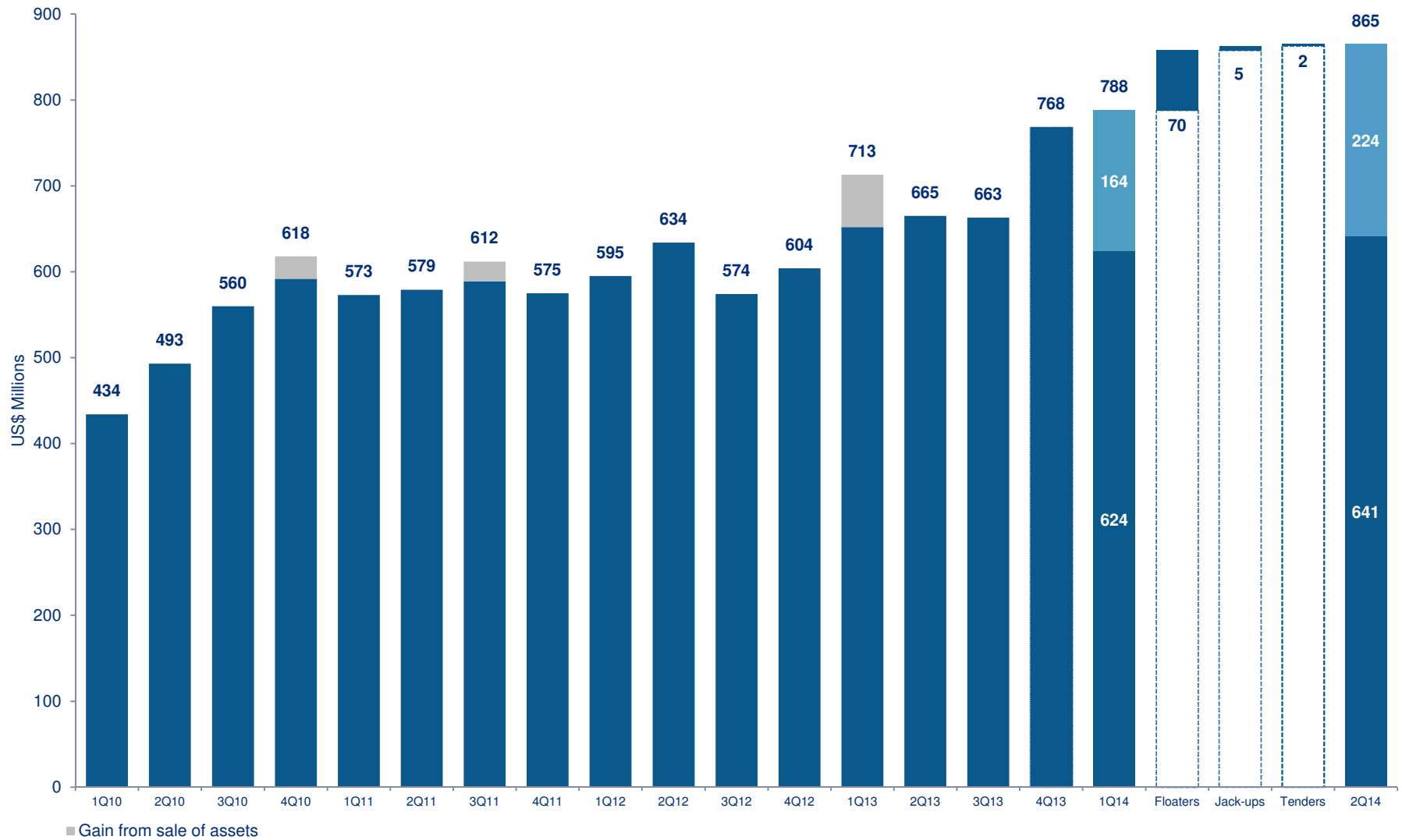
	Q2 2014 Stand alone	Q2 2014 Proforma Consolidated	Q1 2014 Proforma Consolidated
Total Operating Revenue	US\$1,222 m	US\$1,554 m	US\$1,436 m
Total Operating Expenses	US\$ 746 m	US\$906 m	US\$863 m
Net Operating Income	US\$476 m	US\$648 m	US\$574 m
EBITDA *	US\$641 m	US\$865 m	US\$788 m
Dividend declared per share	US\$1.00	US\$1.00	US\$1.00

Balance Sheet Summary

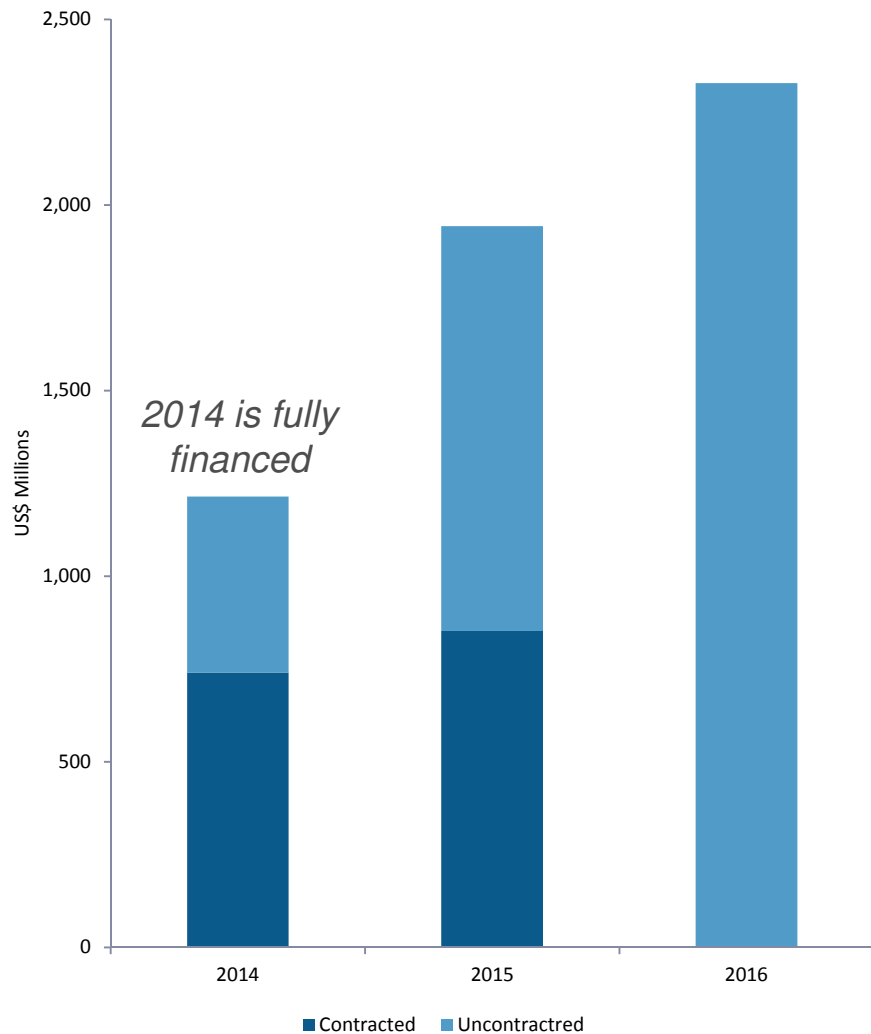


	June 30, 2014	March 31, 2014
Total Current Assets	3,185	4,031
Non-current assets		
Newbuildings	2,593	3,917
Drilling units	14,008	13,163
Other	6,818	6,380
Total non-current assets	23,419	23,460
TOTAL ASSETS	26,604	27,491
Current Liabilities		
Current portion of long-term debt	2,147	1,662
Other	1,956	2,732
Total current liabilities	4,103	4,394
Non-current liabilities		
Total Long-term Debt	10,025	10,728
Other	1,729	1,696
Total non-current liabilities	11,754	12,424
TOTAL LIABILITIES	15,857	16,818
Equity		
Total shareholder's equity	10,747	10,673
Total liabilities and shareholder's equity	26,604	27,491

EBITDA Contribution



Illustrative Funding Profile



Recent Completed transactions:

- US\$1,500 million (Korea II) facility
- US\$1,350 million facility
- SEK 1,500 million Bond Issue
- US\$1,800 million SDLP TLB facility
- US\$1,100 million SDLP add-on TLB facility
- US\$600 million NADL Bond Issue
- West Auriga drop down to SDLP
- US\$650 million Convertible Bond Flush



Core Assets

- 32 6th generation ultra-deepwater units
- 2 Midwater harsh environment semi-submersible rigs
- 29 High-specification jack-ups
- 3 Harsh environment jack-ups
- 3 Tender rigs

Financial Investments



*8.18% of SapuraKencana –
Market Value ~US\$670mm*



*50.11% of Sevan Drilling –
Market Value ~US\$140mm*



*39.9% of Archer –
Market Value ~US\$400mm*

Appendix: Seadrill Limited Financials



Operating Income - Floaters



<i>Unaudited accounts in USD millions</i>	2Q14	1Q14	4Q13	3Q13
Total operating revenues	852	813	1,030	939
Gain on Sale	-	440	-	-
Vessel and rig operating expenses	263	271	370	357
Reimbursable expenses	58	23	17	29
Depreciation and amortisation	121	127	150	146
General and administrative expenses	49	48	62	53
Total operating expenses	491	469	599	585
Net operating income	361	784	431	354

Operating Income – Jack-up Rigs



<i>Unaudited accounts in USD millions</i>	2Q14	1Q14	4Q13	3Q13
Total operating revenues	335	315	339	292
Vessel and rig operating expenses	142	130	148	122
Reimbursable expenses	11	9	11	6
Depreciation and amortisation	44	48	46	42
General and administrative expenses	26	25	24	23
Total operating expenses	223	212	229	193
Net operating income	112	103	110	99

Operating Income – Total Seadrill Limited



<i>Unaudited accounts in USD millions</i>	2Q14	1Q14	4Q13	3Q13
Total operating revenues	1,222	1,221	1,469	1,280
Gain on sale of assets	-	440	-	-
Vessel and rig operating expenses	437	492	565	491
Reimbursable expenses	69	32	50	48
Depreciation and amortisation	165	174	200	192
General and administrative expenses	75	73	86	78
Total operating expenses	746	771	901	809
Net operating income	476	890	568	471

Net Income – Total Seadrill Limited



<i>Unaudited accounts in USD millions</i>	2Q14	1Q14	4Q13	3Q13
Net operating income	476	890	568	471
Financial items and other income				
Interest income	32	11	8	-
Interest expense	(124)	(118)	(134)	(107)
Share in results from associated companies	54	20	(189)	(10)
(Loss)/Gain in financial derivatives	(95)	(37)	2	(5)
Foreign exchange gain/(loss)	22	(15)	25	-
Gain on realization of marketable securities	131	-	-	-
Other financial items	51	39	2	26
Gain on deconsolidation of Seadrill Partners	-	2,339	-	-
Total financial items and other income	71	2,239	(286)	(96)
Income before income taxes	547	3,129	282	375
Income taxes	106	(35)	(1)	(60)
Net income	653	3,094	281	315
Earnings per share (US\$)	1.29	6.54	0.49	0.61

Balance Sheet - Assets



<i>Unaudited accounts in USD millions</i>	June 30, 2014	March 31, 2014	December 31, 2013
Current assets			
Cash and cash equivalents	543	912	744
Restricted cash	237	206	168
Marketable securities	933	1,072	416
Accounts receivables, net	824	780	1,042
Other current assets	648	1,061	463
Total current assets	3,185	4,031	2,833
Non-current assets			
Newbuildings	2,593	3,917	3,419
Drilling units	14,008	13,163	17,193
Assets held for sale – non current	1,048	-	-
Restricted cash	126	146	150
Deferred tax assets	47	28	37
Other non-current assets	5,597	6,206	2,668
Total non-current assets	23,419	23,460	23,467
Total assets	26,604	27,491	26,300

Balance Sheet – Liabilities & Shareholder’s Equity



	June 30, 2014	March 31, 2014	December 31, 2013
Current liabilities			
Current portion of long-term debt	2,147	1,662	1,566
Trade accounts payable	61	111	90
Other current liabilities	1,895	2,621	2,169
Total current liabilities	4,103	4,394	3,825
Non-current liabilities			
Long-term interest bearing debt	10,025	10,728	11,900
Deferred taxes	73	48	60
Other non-current liabilities	1,656	1,648	2,313
Total non-current liabilities	11,754	12,424	14,273
Equity			
Total shareholder’s equity	10,747	10,673	8,202
Total liabilities and shareholder’s equity	26,604	27,491	26,300