



Conference call 2Q 2009 results

August 27, 2009



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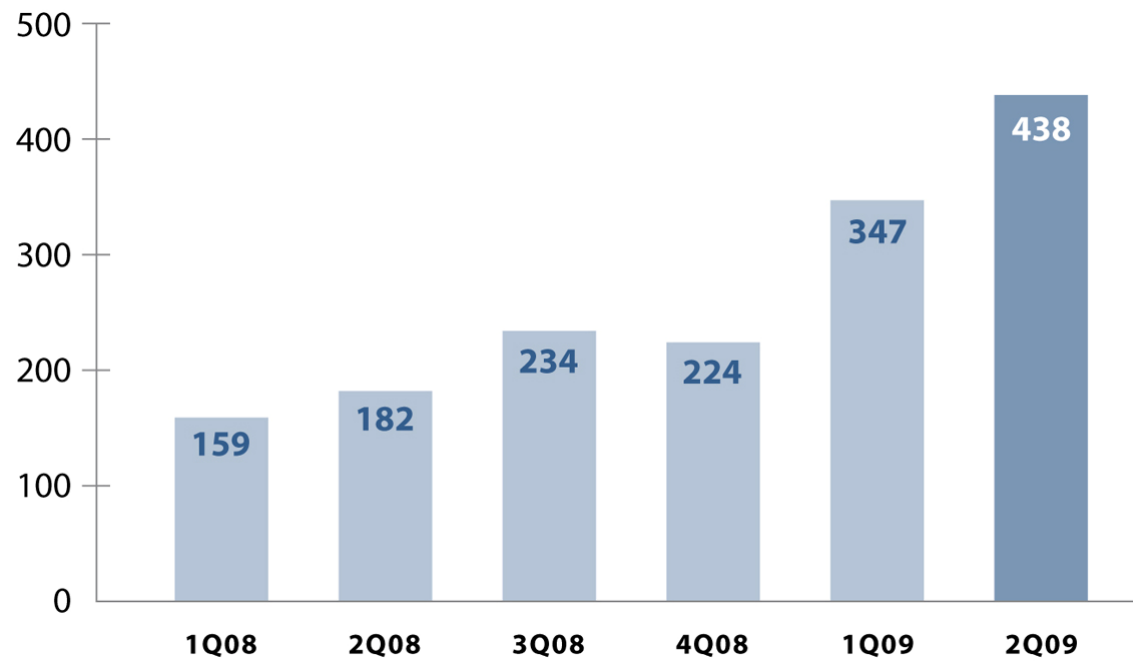


Highlights second quarter 2009

- Seadrill generates EBITDA of US\$438 million up from US\$347 million in the preceding quarter
- Net income of US\$364 million equal to income per share of US\$0.85
- Sound improvement in utilization for deepwater newbuilds
- The last ultra-deepwater newbuild West Eminence of the initial eight rig batch commenced operations in Brazil
- New five-year US\$1.5 billion credit facility completed to replace the US\$1.0 billion bridge facility
- Reasonable prospects for the ultra-deepwater market
- Continued uncertain market outlook for jack-ups
- Idle benign environment 300ft Jack-up West Ceres sold for total consideration of US\$178 million
- Seadrill initiates process for a US listing

EBITDA development

US\$ MILLION



Significant Q/Q increase in contribution

Mobile units

<i>Unaudited accounts in USD million</i>	2Q09	1Q09
Operating revenues	532,1	422,3
Reimbursables	5,9	5,9
Other revenues	11,1	10,7
Total revenues	549,1	438,9
Vessel and rig operating expenses	164,3	140,4
Reimbursable expenses	5,6	5,6
Depreciation and amortisation	83,9	73,5
General and administrative expenses	28,3	24,7
Total operating expenses	282,1	244,2
Operating profit	267,0	194,7

Tender rigs

<i>Unaudited accounts in USD million</i>	2Q09	1Q09
Operating revenues	106,0	98,1
Reimbursables	5,9	5,3
Other revenues	-	0,4
Total revenues	111,9	103,8
Vessel and rig operating expenses	36,2	33,7
Reimbursable expenses	5,5	5,0
Depreciation and amortisation	10,4	10,7
General and administrative expenses	3,5	3,2
Total operating expenses	55,6	52,6
Operating profit	56,3	51,2

Well services (Seawell Limited)

<i>Unaudited accounts in USD million</i>	2Q09	1Q09
Operating revenues	122,9	121,1
Reimbursables	31,9	32,4
Total revenues	154,8	153,5
Operating expenses	99,3	99,5
Reimbursable expenses	30,2	31,4
Depreciation and amortisation	4,9	4,4
General and administrative expenses	5,2	5,6
Total operating expenses	139,6	140,9
Operating profit	15,2	12,6

Condensed income statement

<i>Unaudited accounts in USD million</i>	2Q09	1Q09
Operating profit	338,5	258,5
Interest income	7,1	14,3
Interest expense	(57,2)	(44,7)
Share of results from associated companies	15,8	20,2
Other financial items	101,7	25,5
Impairment loss - financial assets	0,0	0,0
Net financial items	67,4	15,3
Income before income taxes and minority interest	405,9	273,8
Income taxes	(41,5)	(30,6)
Net income	364,4	243,2
Net income attributable to the parent	339,3	217,9
Net income attributable to the noncontrolling interest	25,1	25,3
Earnings per share (in USD)	0,85	0,55

Balance sheet

Total assets

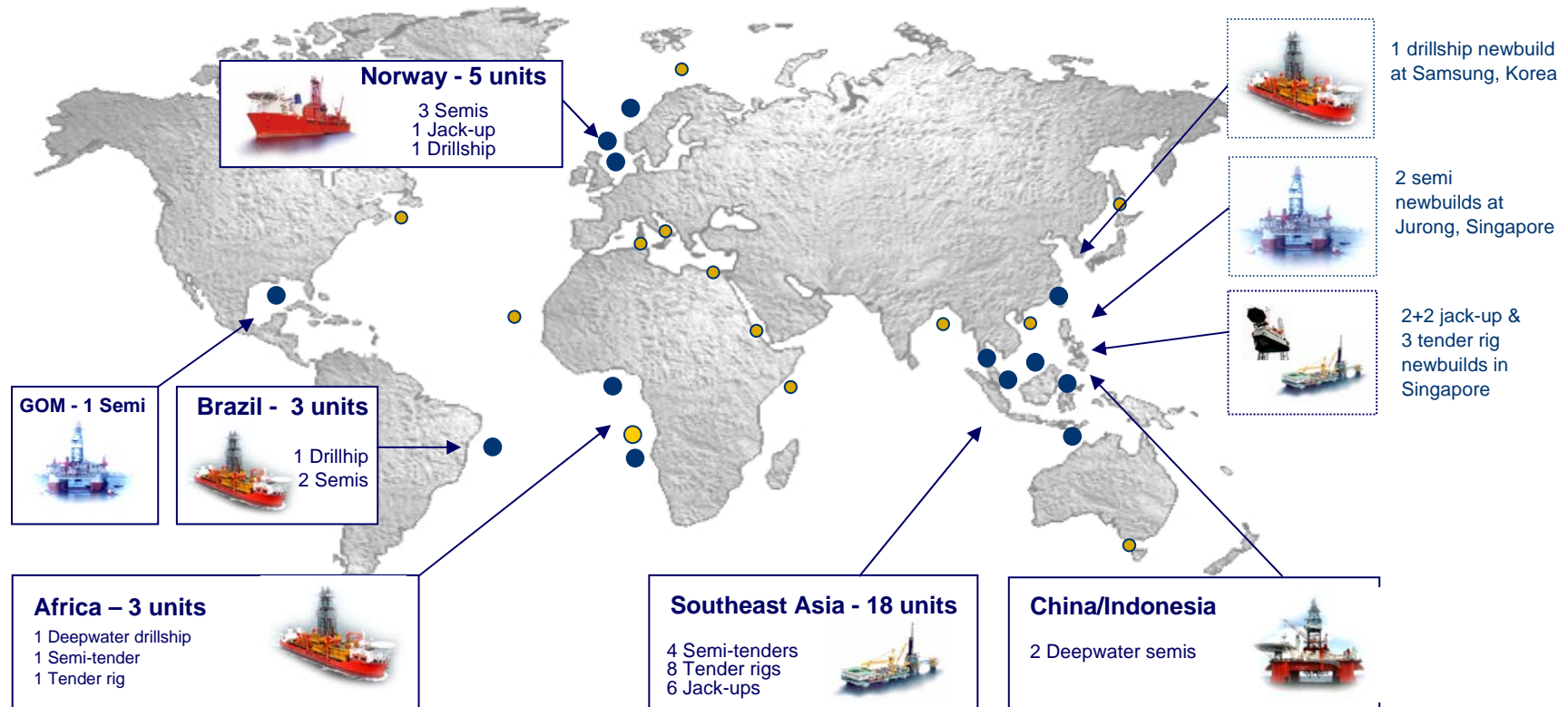
<i>Unaudited accounts in USD million</i>	30.06.09	31.03.09
<i>Current assets</i>		
Cash and cash equivalents	603,4	547,9
Marketable securities	386,0	326,3
Accounts receivables	536,4	479,6
Other current assets	318,2	530,4
Total current assets	1 844,0	1 884,2
<i>Non-current assets</i>		
Investment in associated companies	289,5	272,6
Newbuildings	1 177,2	1 752,3
Drilling units	7 819,7	7 162,8
Goodwill	1 570,0	1 557,7
Restricted cash	350,2	345,1
Other non-current assets	232,9	203,2
Total non-current assets	11 439,5	11 293,7
Total assets	13 283,5	13 177,9

Balance sheet

Liability and equity

<i>Unaudited accounts in USD million</i>	30.06.09	31.06.09
<i>Current liabilities</i>		
Short-term interest bearing debt	1 779,0	733,2
Other current liabilities	1 083,5	1 395,7
Total current liabilities	2 862,5	2 128,9
<i>Non-current liabilities</i>		
Long-term interest bearing debt	5 976,1	7 131,6
Deferred taxes	156,5	136,9
Other non-current liabilities	276,0	266,6
Total non-current liabilities	6 408,6	7 535,1
<i>Shareholders' equity</i>		
Total shareholders' equity	4 012,4	3 513,9
Total shareholders' equity and liabilities	13 283,5	13 177,9

Worldwide operations



Quality fleet with global presence

● Previous ● Current



Original 2008 deepwater projects completed



USA-3Q08



Brazil-4Q08



China-4Q08



Norway-1Q09



Brazil-1Q09



Nigeria-1Q09



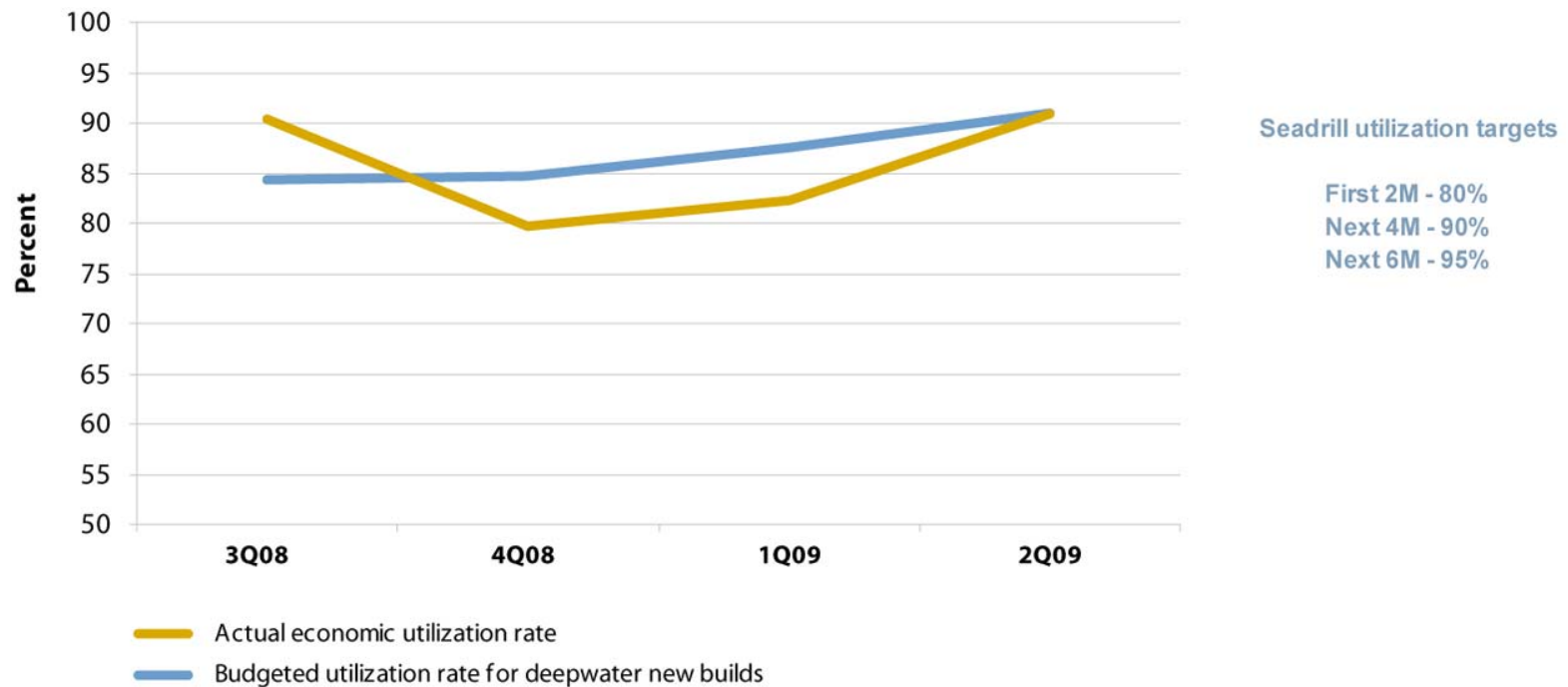
Indonesia-1Q09



Brazil-2Q09



Average utilization rate deepwater newbuilds



Start-up experience transferred to sister vessel

US\$9.5 billion order backlog floaters

Customer	2009				2010				2011				2012				2013				2014			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Semi-submersibles																								
West Alpha ¹	Consortium																							
West Venture ¹	StatoilHydro																							
West Phoenix ¹	Total																							
West Aquarius	Exxon																							
West Sirius	Devon																							
West Hercules	Husky																							
West Eminence ²	Petrobras																							
West Taurus ²	Petrobras																							
West Orion ²	Petrobras																							
West Capricorn	-																							
Drillships																								
West Navigator ¹	Shell																							
West Polaris	Exxon																							
West Capella	Total																							
West Gemini	-																							

■ Yard plus transit period
 ■ Contract
 ■ Option

¹ Dayrate is partly in Norwegian kroner

² Dayrate is partly in Brazilian Real and includes five percent performance incentive as well as estimated compensation for tax



Continued strong earnings visibility



Contract status jack-ups

Customer	2009				2010				2011			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Jack-ups												
West Epsilon StatoilHydro	US\$316,000											
West Janus PCPPOC	US\$149,500											
West Atlas PTTEP Australia	US\$255,000											
West Triton PTTEP Australia				US\$175'								
West Prospero												
West Larissa Vietsovpetro	US\$126,000											
West Ariel Vietsovpetro	US\$187,000				US\$142,000							
West Callisto -	Newbuild at KFELS											
West Juno -	Newbuild at KFELS											
West Leda -	Newbuild at PPL											
West Elara -	Newbuild at PPL											

■ Yard
 ■ Contract
 ■ Option not to take delivery

US\$400 million order backlog



US\$1.8 billion tender rig order backlog

Customer	2009				2010				2011				2012				2013				2014					
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Tender barges																										
T3 ¹	PTT	US\$83,000																								
T4	Chevron	US\$101,000																								
T6 ¹	Carigali/CTOC	US\$101,000																								
T7	Chevron	US\$64,500																								
T8	Total	US\$125,000																								
T9 ¹	Exxon	US\$135,000																								
T10 ¹	Carigali/Hess	US\$90,000										US\$90,000														
T11	Chevron	US\$134,000																								
T12	-	Newbuild																								
Teknik Berkat ¹	Carigali	US\$121,000																								
Semi-tenders																										
West Alliance	Shell	US\$99,000				US\$170,000																01.2015				
West Berani	Newfield/Conoco	US\$165,000																								
West Menang ²	Total	US\$127,000																								
West Pelaut	Shell	US\$140,000																								
West Setia	Murphy/Chevron	US\$165,000				US\$163,000																				
West Vencedor	Chevron	Newbuild				US\$200,000																03.2015				
West Berani III	-	Newbuild																								

■ Yard ■ Contract ■ Option

¹ Ownership 49%

² Early termination fee of US\$99,000 per day will be received from June, 2009

Strong portfolio of term contracts



Market outlook

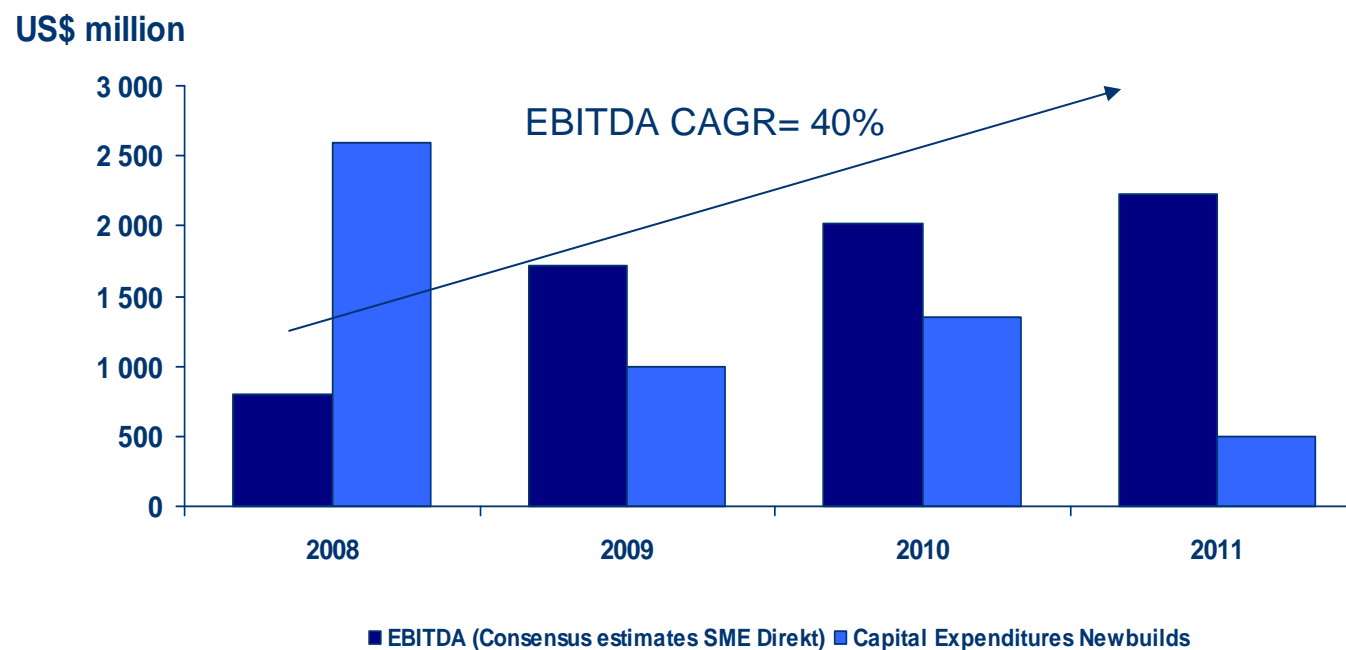
- Jack-up market
 - Fragile market short term as new units are delivered
 - Operators trying to exercise continued pricing pressure
 - Signs of more tenders late 2009 and 2010
 - Oil prices trading around 70 US\$/bbl a positive catalyst
 - New efficient quality units should replace vintage units

- Tender rig market
 - Strong long term fundamental drivers in place but short term activity adversely impacted by slowdown in the world economy
 - Market for barges exposed to overall shallow water market weakness
 - Application of tender rigs in deep waters continues to create an attractive niche for this rig concept

- Deepwater market
 - Long-term market drivers remain with global oil basin maturing and steepening decline rates
 - Increasing global demand driven by emerging markets
 - Exploration for larger reserves taking place in more challenging and rig intensive deepwater markets
 - Floater market driven by more stable capital spending of oil majors and national oil companies
 - Strong contract coverage for ultra deepwater fleet

Offshore rig market more diversified and segmented

EBITDA growth replacing investments



Majority of EBITDA secured through long-term contracts

Dividend policy

- Distribution of cash dividend is an important objective
- Dividend depends on contract coverage, capital expenditure programs, other investments, free cash flow and business outlook
- Distribution was discontinued due to global financial turbulence and need to refinance remaining newbuild program
- Seadrill sees a strong improvement in the financial markets related to financing of its operations
- Ambition to resume dividend distribution later this year

Dividend distribution remains high priority

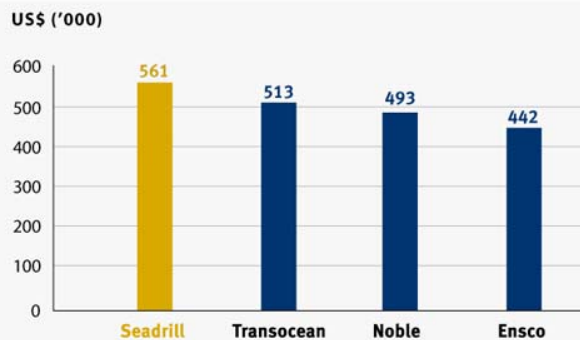
Petromena NOK 2,000 million bond

- Seadrill holds 81 percent of the Petromena NOK2,000 million bond
- Bought at approximately 70 percent of face value
- Secured in the deepwater newbuilds Petrorig 1 (delivered April) and Petrorig 2 (delivery scheduled in September)
- Yard has completed the sale of Petrorig 1
- US\$205 million transferred from the yard to the bankruptcy court
- US bankruptcy court has approved US\$130 million down payment to bondholders of which US\$105 million to Seadrill

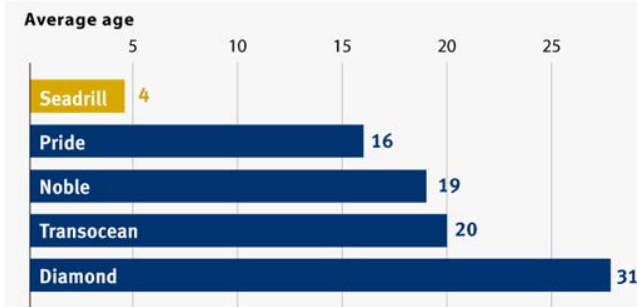
Confident in solid return on investment

Summary

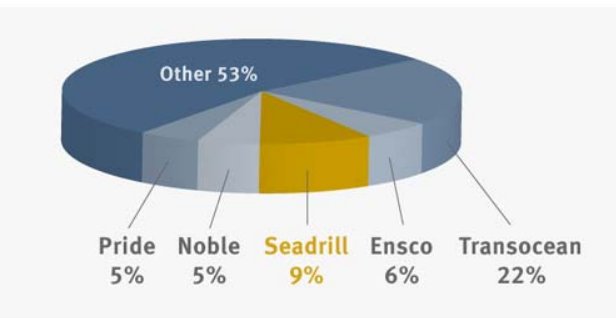
Ultra-deepwater fixtures



Average age floaters



Ultra-deepwater market share



EBITDA contribution deepwater

	2008	2010
Seadrill Limited	15%	68%
Transocean	23%	40%
Pride International	19%	36%
Noble Corp.	7%	30%
Diamond Offshore Inc.	15%	18%

Sound platform for shaping the future



StatoilHydro



ExxonMobil



Seadrill

Seadrill working for quality customers