



**Borr
Drilling**

**Borr Drilling Limited
Company presentation
Q1 2018 Results**
31 May 2018



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We have spent the last 18 months building the leading jack-up drilling company



2 premium jack-ups



11 premium jack-ups



9 premium jack-ups



2 premium jack-ups



5 premium jack-ups



29 premium jack-ups

Note (1): Paragon fleet prior to the transaction, excluding non-core semi-sub (MSS1)

Description:

NCW = Non-core, rigs with contract

NC = Non-core

NCS = Non-core, sold

Key Financials Q1 2018

Income Statement

USDm	Q1 2018	Q1 2017	2017
Operating revenues	10.6	-	0.1
Rig operating and maintenance expenses	(22.5)	(2.3)	(36.2)
Depreciation, amort. and imp.	(12.2)	(1.0)	(47.9)
G&A	(10.2)	(1.6)	(21.0)
Restructuring costs	(17.9)	-	-
Other	-	-	(4.7)
Total operating expenses	(62.8)	(4.9)	(109.8)
Operating loss	(52.2)	(4.9)	(109.7)
Total financial items	(19.7)	-	21.7
Gain from bargain purchase	38.1	-	-
Net loss for the period	(33.8)	(4.9)	(88.0)
Nett (loss) attributable to non-contr. interests	(0.1)	-	-
Net loss for the period attributable to shareholders of Borr Drilling Limited	(33.7)	(4.9)	(88.0)
Basic loss per share (\$/share)	(0.1)	(0.1)	(0.3)

Comments

- Paragon consolidated from March 29, 2018
- One-off G&A charges of US\$3 million
- Restructuring cost of US\$17.9 million relates solely to Paragon acquisition
- US\$20.0 million of unrealised loss on forward contracts in financial items.
 - As of reporting date, profit on position of approx. US\$5 million.
- Gain from bargain purchase of US\$38.1 million related Paragon acquisition

Key Financials Q1 2018

Balance Sheet Key Numbers

USDm	Q1 2018	Q4 2017	Q1 2017
Total assets	2,137.3	1,672.3	949.0
Long-term debt	261.0	87.0	-
Total equity	1,670.1	1,492.9	153.1
Cash and cash equivalents	51.5	164.0	554.8
Restricted cash	55.0	39.1	221.1

Comments

- Acquired 22 jack-up drilling rigs and one semisubmersible from Paragon with total estimated value of US\$261 million
- Delivery of three newbuildings, "Saga", "Gerd" and "Gersemi" in Q1
- US\$174.0 in delivery financing for the two newbuildings "Gerd" and "Gersemi"
- Equity ratio of 78.1%

Fleet Status Report May 2018

Fleet summary

		Operating	Available	Cold Stack	Under Construction
Premium Jack-Ups	29	4	10	1	14
Standard Jack-Ups	7	5		2	
Total Jack-Ups	36				
Semi - Submersible	1	1			
Total Fleet	37	10	10	3	14

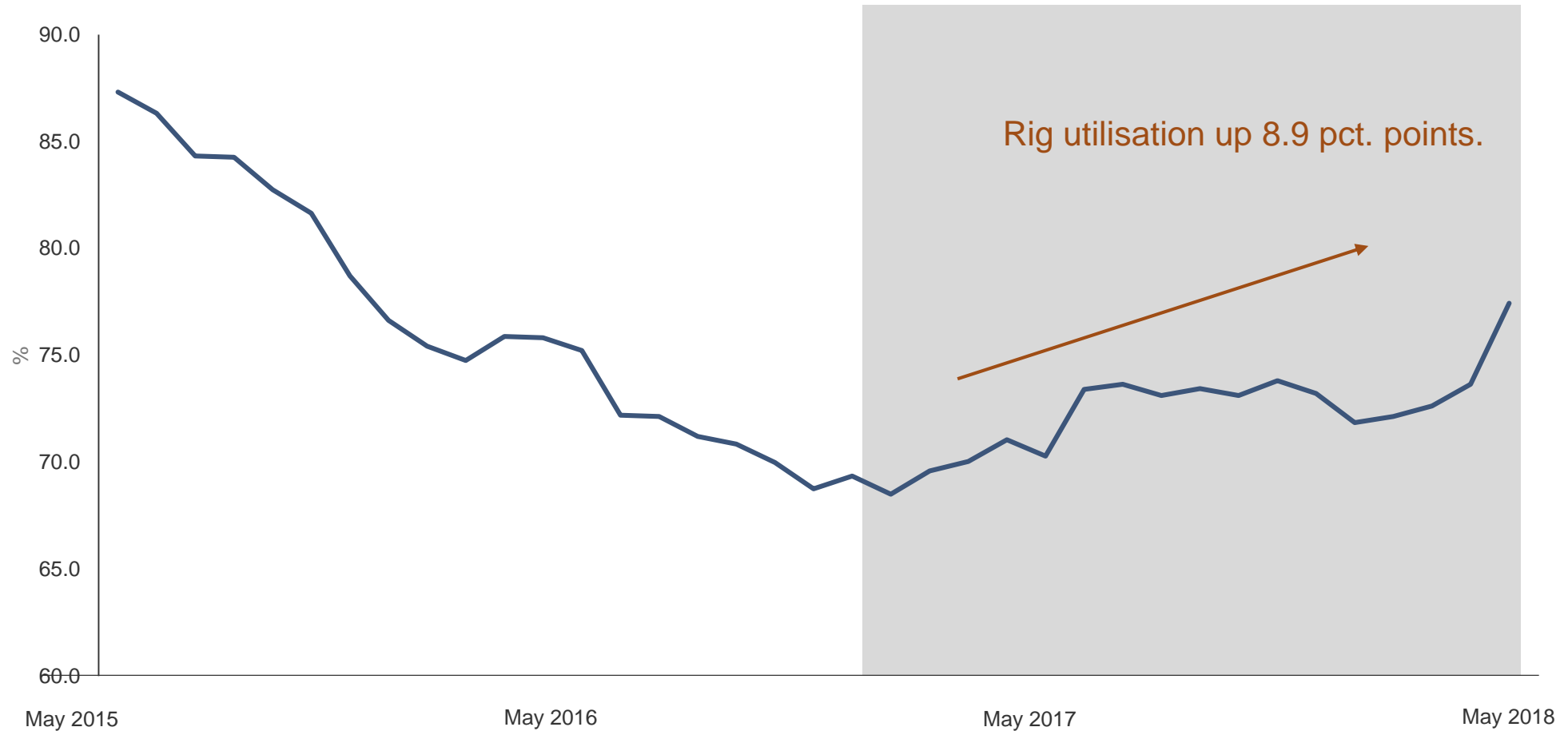
Fleet main movements and operations

- Net 11 rigs added to the Total Fleet in 2018
- Secured a 6-month drilling contract for the “Norve” in West Africa at a dayrate of US\$80,000, commencing in August
- Strong technical utilisation on the operating rigs averaging 98.9% since consolidation of Paragon
- Prospects for new opportunities are on upward trend as tendering activity and discussions with customers are increasing across all regions

Operating rigs includes the Mist which is on a bareboat arrangement following the Transocean Transaction

Utilisation is improving

Marketed utilisation for premium* jack-up rigs



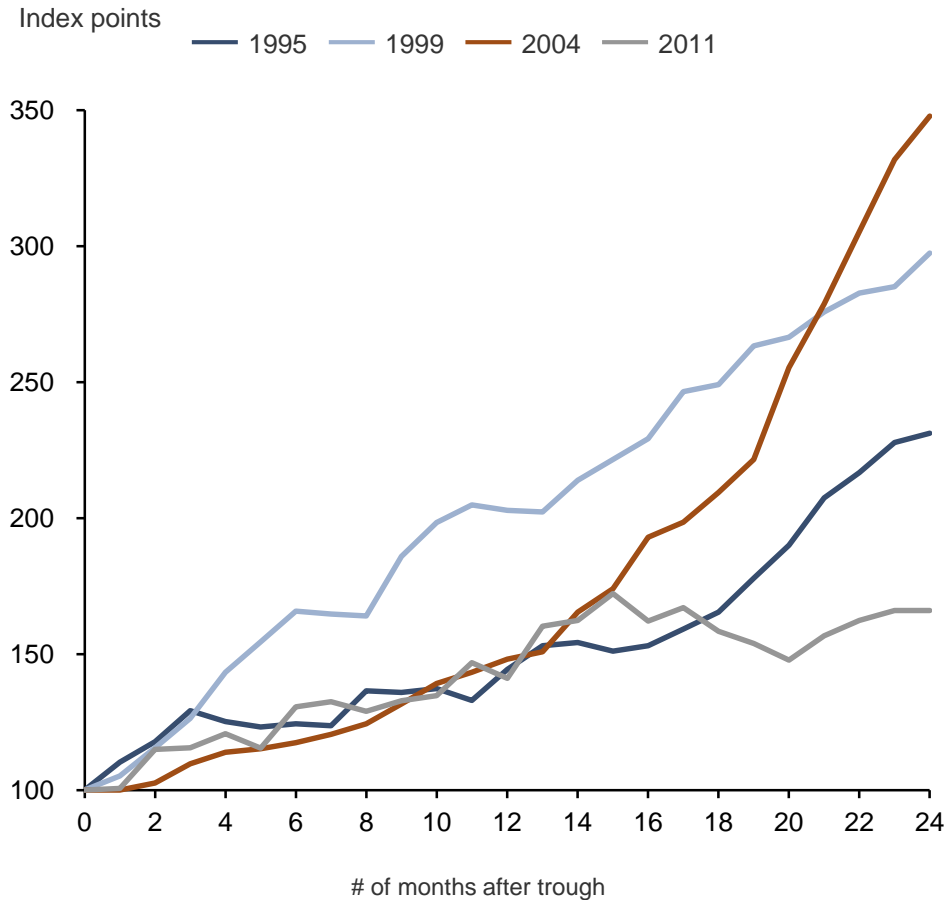
*Jack-ups built after 2000

*Percentage points from January 2017 to May 2018

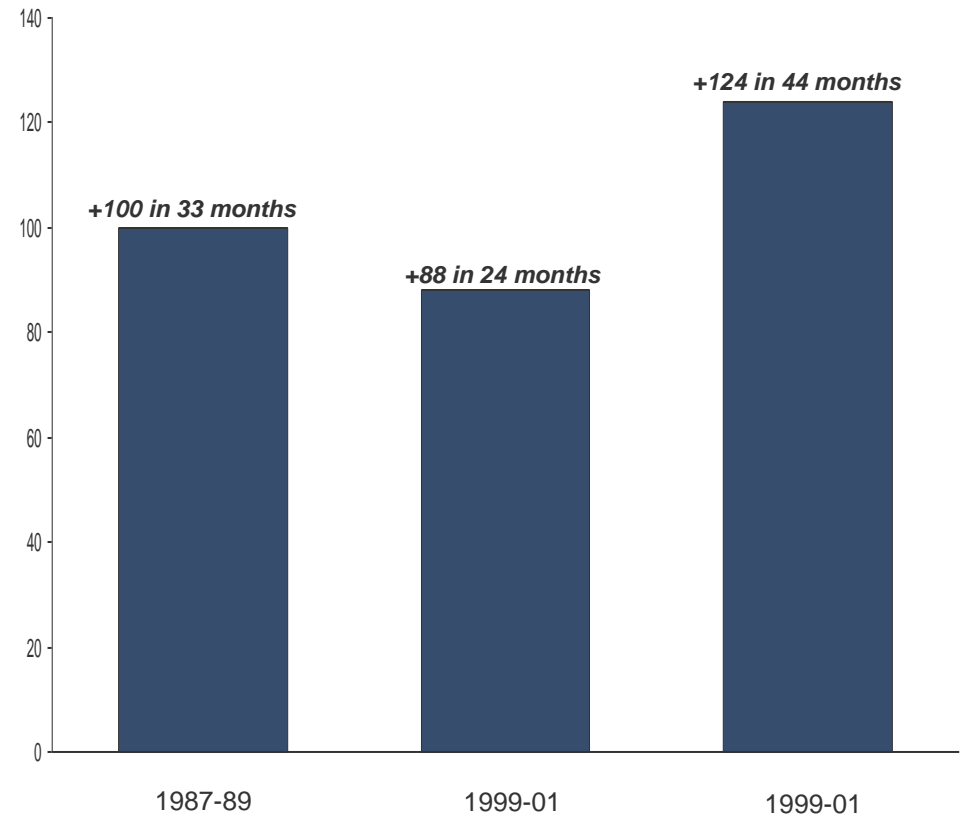
Source: IHS/DNB

When the market improves – rates move quickly

Rate recovery profile



Increase in jack-up rig count in past cycles



Currently only 30 premium jack-up rigs available from international operators, of which Borr Drilling controls 11

Source: IHS/DNB



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Q&A

