



Pacific Drilling

Investor Presentation

March 2019



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Important factors that could cause actual results to differ materially from our expectations include: the global oil and gas market and its impact on demand for our services; the offshore drilling market, including reduced capital expenditures by our clients; changes in worldwide oil and gas supply and demand; rig availability and supply and demand for high-specification drillships and other drilling rigs competing with our fleet; costs related to stacking of rigs; our ability to enter into and negotiate favorable terms for new drilling contracts or extensions; our ability to successfully negotiate and consummate definitive contracts and satisfy other customary conditions with respect to letters of intent and letters of award that we receive for our drillships; possible cancellation, renegotiation, termination or suspension of drilling contracts as a result of mechanical difficulties, performance, market changes or other reasons; our ability to execute our business plans; the effects of our completed Chapter 11 proceedings on our future operations; and the other risk factors described in our December 18, 2018 Form F-1 and our Current Reports on Form 6-K, which are available through our website at www.pacificdrilling.com or through the SEC's website at www.sec.gov.

PACD at a glance

“With our best-in-class drillships and highly experienced team, Pacific Drilling is committed to be the preferred deepwater drilling contractor”

3.9 Years

Average LTI-free duration per rig

~8 Years

Of Operational Experience

7

High-Specification Drillships

6.5 Years

Avg Fleet Age

98%

Revenue Efficiency since 2016

>75

Years of PACD tenure across executive team

~\$1.1Bn 
Market Cap

~\$400m
Liquidity

36%

Net Debt/Enterprise Value (lowest among peers)

Debt Maturities



Top Tier Clients



Investment proposition

- **The only pure-play high-specification deepwater driller; drillship fleet with premium technical capabilities**
- **Solid and recapitalized balance sheet**
- **Leadership team and new shareholder base committed to creating value**
- **Consistently delivering on safety, revenue efficiency and cost management**
- **Rapidly declining oil reserves and significantly lower offshore breakeven prices expected to lead to increased deepwater activity and demand for high-spec equipment**
- **Building contract backlog with recovery in deepwater drilling demand well underway, and ideally positioned to capitalize on market upside**

Premium fleet of high-specification drillships



Standardized rig fleet with common equipment packages

Built at Samsung Heavy Industries between 2010 – 2014

10,000 – 12,000ft water depth capability



Premium drillship technical capabilities relative to peers in the total floater market⁽¹⁾

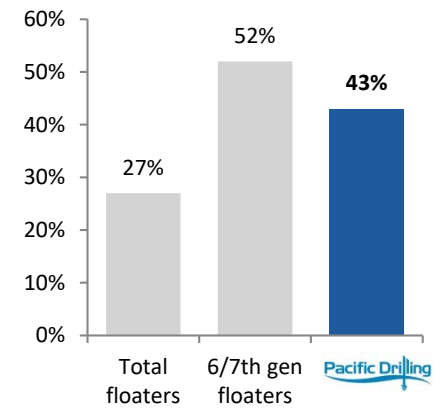
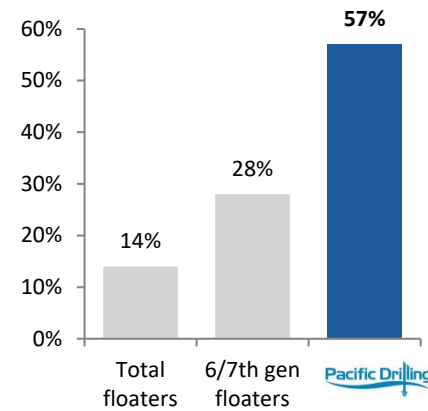
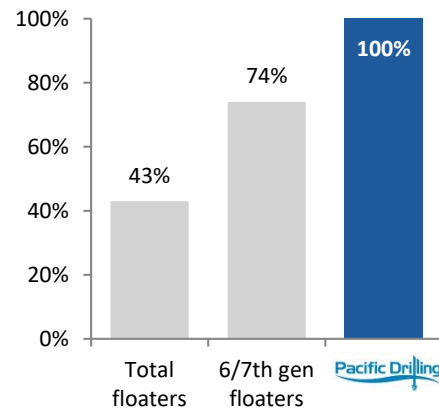
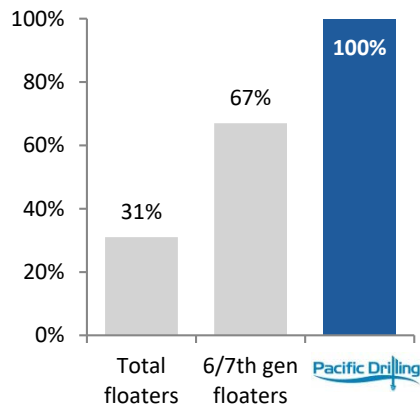
Share of floater fleet with key features

Water depth rating
10,000ft or more

Dual derrick

Dual BOP⁽³⁾

Main max hook load
2.5m lbs or more



<i>Sharav</i>	✓
<i>Meltem</i>	✓
<i>Khamsin</i>	✓
<i>Bora</i>	✓
<i>Scirocco</i>	✓
<i>Mistral</i>	✓
<i>Santa Ana</i>	✓

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<i>Scirocco</i>	✓
<i>Mistral</i> ⁽²⁾	✓
<i>Santa Ana</i>	✓

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<i>Meltem</i>	✓
<i>Khamsin</i>	✓
<i>Bora</i>	✓
<i>Scirocco</i>	-
<i>Mistral</i>	-
<i>Santa Ana</i>	-

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<i>Meltem</i>	✓
<i>Khamsin</i>	✓
<i>Bora</i>	-
<i>Scirocco</i>	-
<i>Mistral</i>	-
<i>Santa Ana</i>	-

Source: Rystad Energy research and analyses

(1) Floater market includes semi-submersible rigs and drillships.

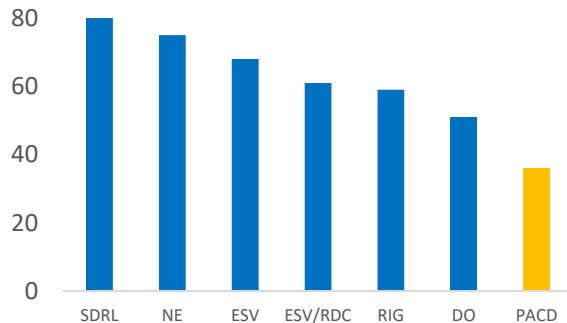
(2) Offline standbuilding.

(3) Equipped with 2nd BOP stack.

Strong balance sheet

Capitalization

Net Debt / Enterprise Value (%)



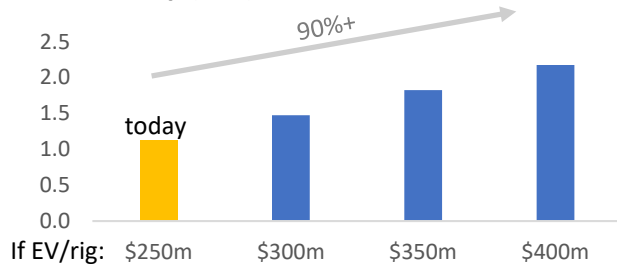
~\$400m¹

in liquidity runway
(excl. any Zonda
arbitration proceeds)

~\$1.1Bn

in market cap

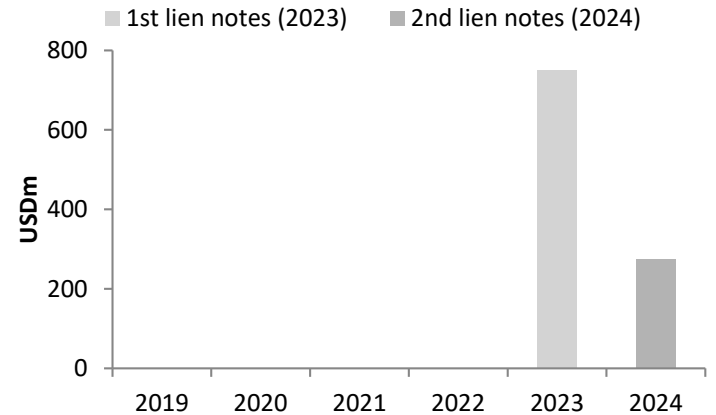
Market Cap (\$Bn)



~\$624m

in net debt
(or ~\$90m per rig)

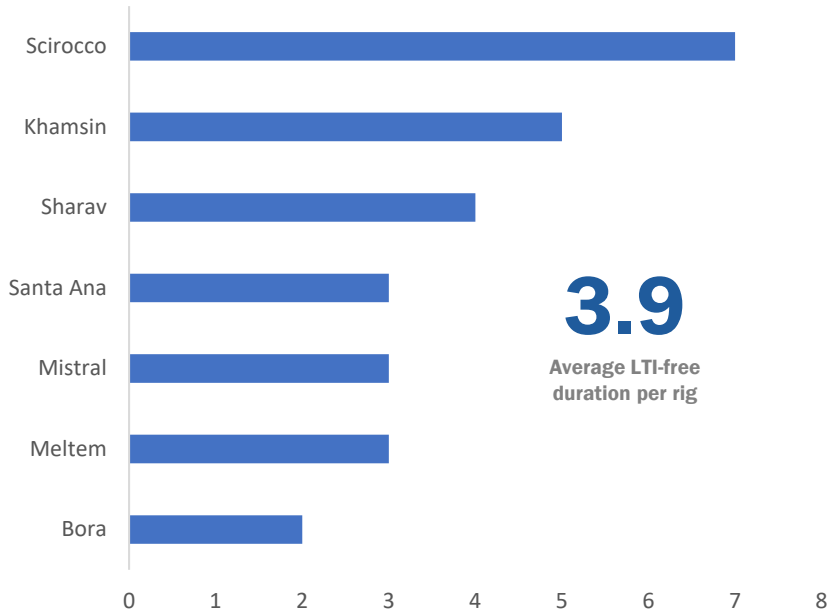
New debt maturity profile



- No debt maturities prior to Oct-23
- No debt amortization
- No financial covenants
- Cash interest reduced to USD ~63m

Consistently delivering

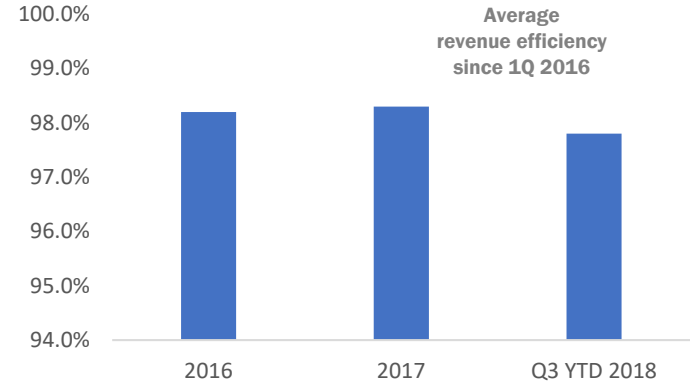
LTI free (years)



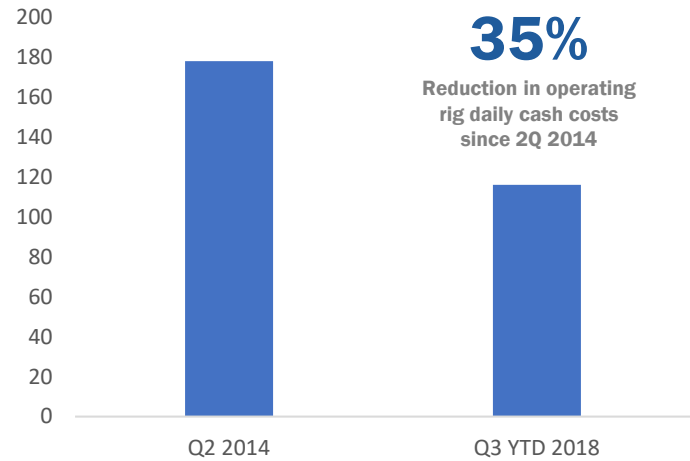
LTI (Lost Time Incident) = A work-related incident to an employee in which a physician or licensed health care professional recommends days away from work due to the incident.

Revenue efficiency defined as actual contractual dayrate revenue (excluding mobilization fees, upgrade reimbursements and other revenue sources) divided by the maximum amount of contractual dayrate revenue that could have been earned during such period.

Revenue efficiency

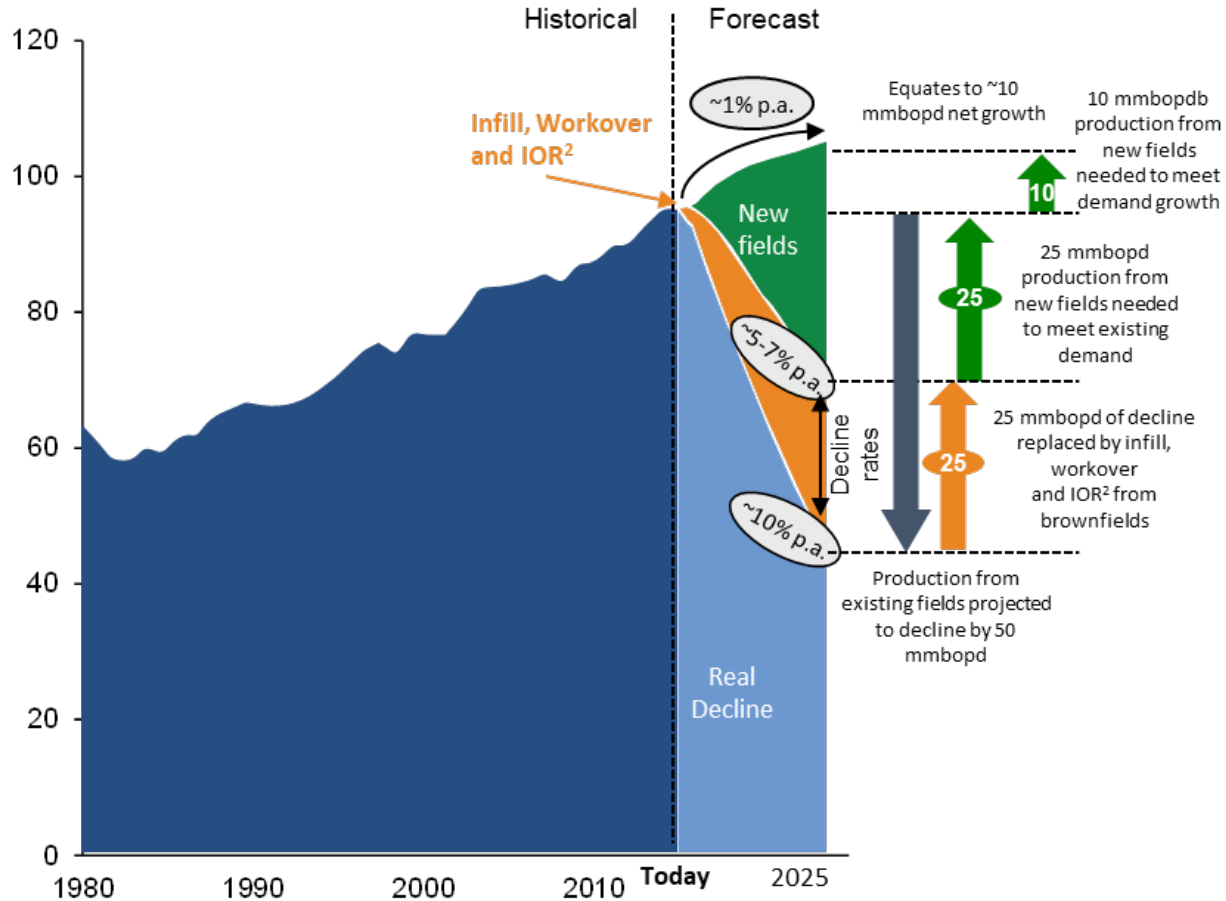


Operating rig daily cash cost (\$/d)

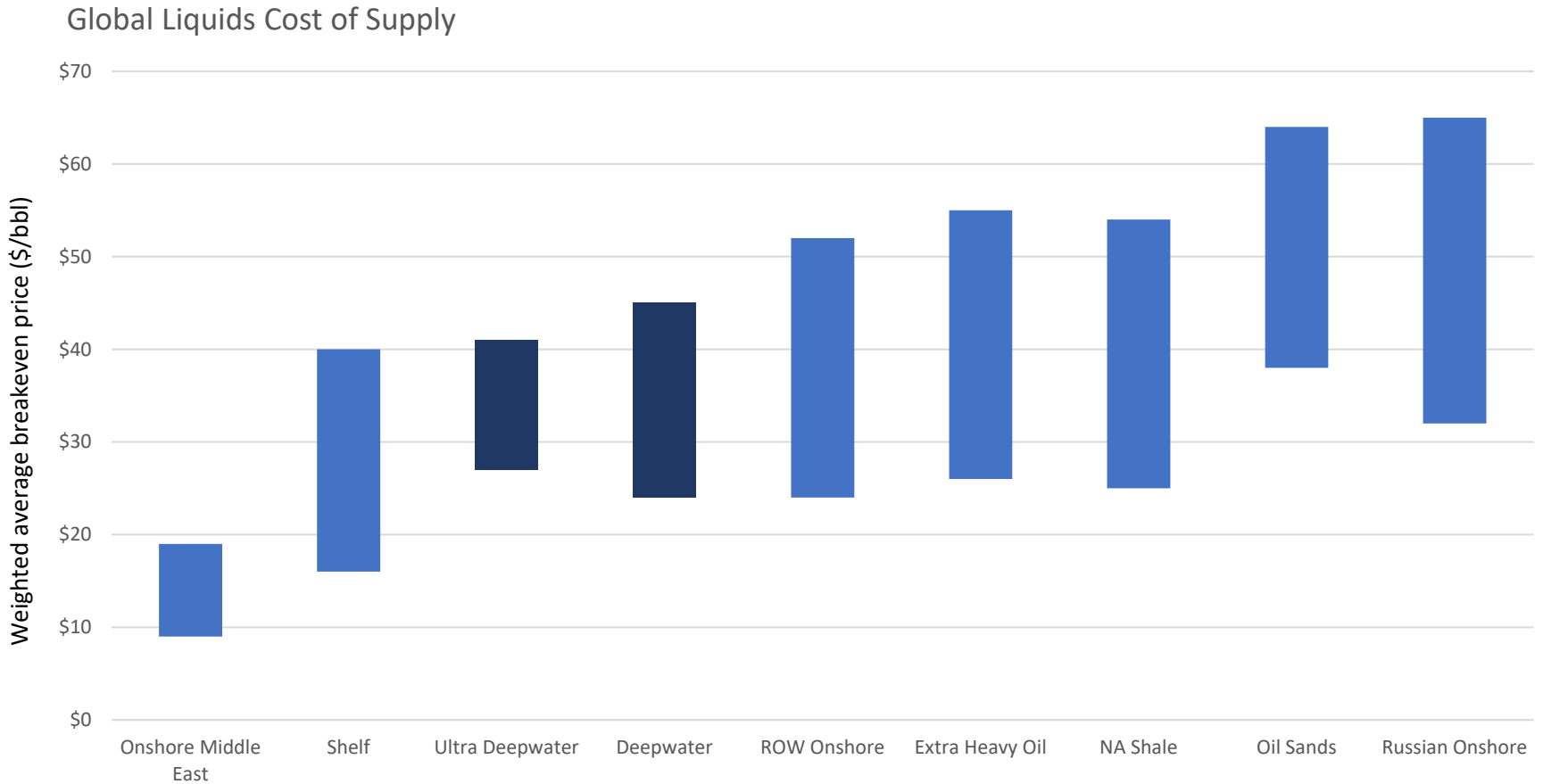


Reserves continue to decline at a rapid pace which will require new supply to meet expected demand growth

Illustrative global liquids production (mmbopd)⁽¹⁾



Offshore breakeven costs are very competitive to meet supply gap



Source: Evercore 2019

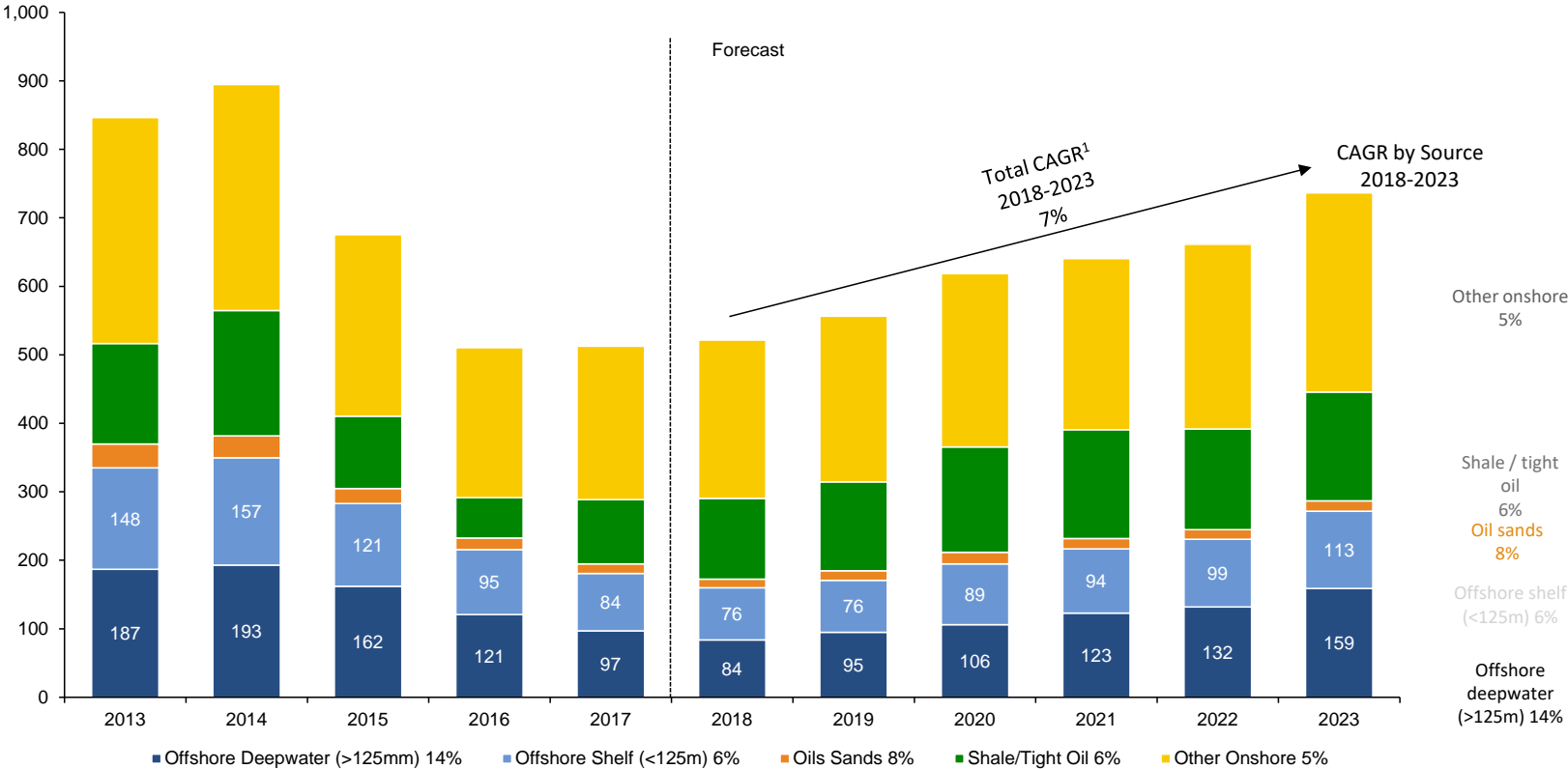
The breakeven price is the Brent oil price that gives an NPV of zero given a real discount rate of 7.5%.

The boxes are an average of all fields within each category (producing, under development and discoveries).

The growth rate for deepwater drilling capex spend is forecast to exceed all other sources at 14% CAGR

Exploration & production companies are projected to significantly increase spending on offshore deepwater projects which will drive demand for high-specification deepwater drilling services

Exploration & Production Capital Expenditures by Source (\$ in billions, nominal)

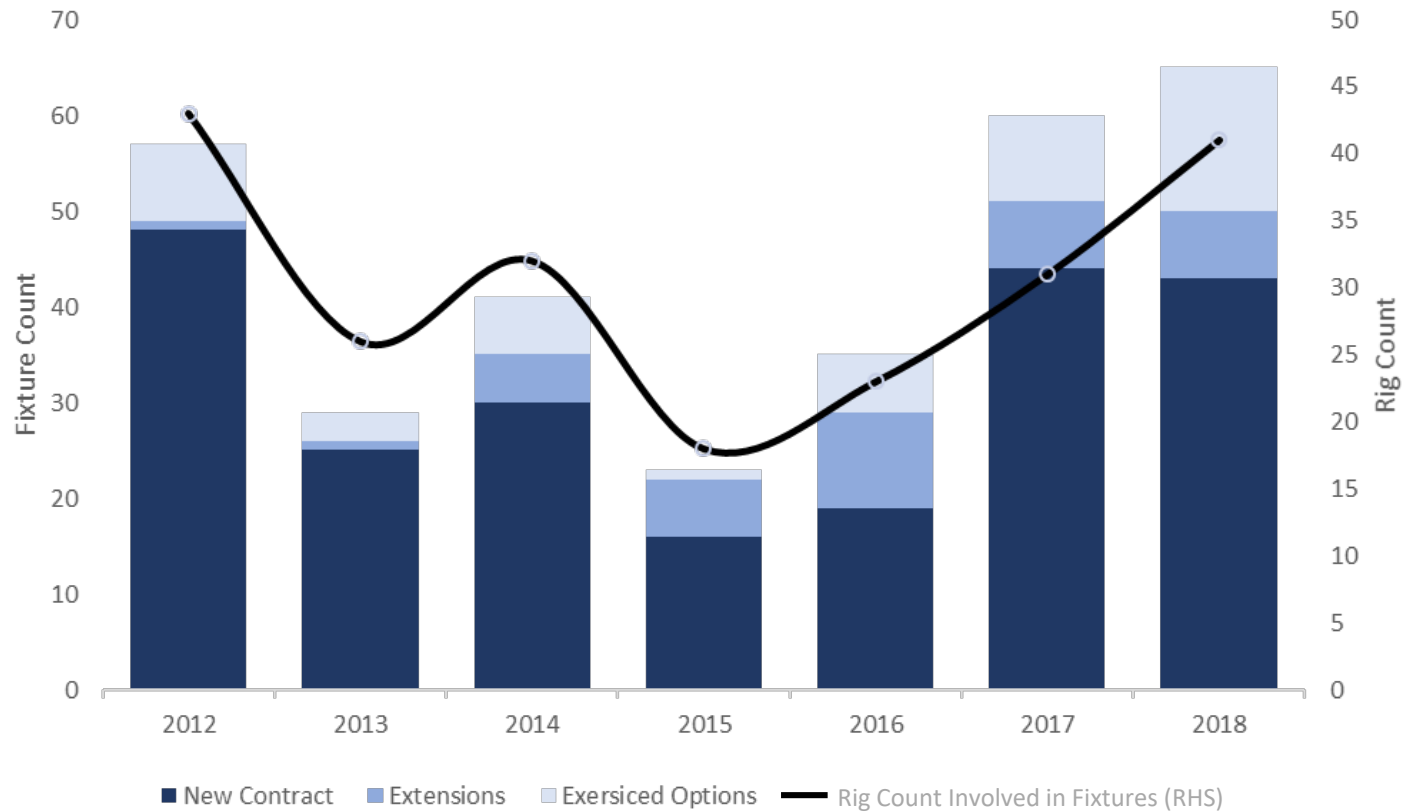


Source: Rystad Energy dated April 29, 2018.
 (1) Compounded annual growth rate.



With offshore activity beginning to pick up

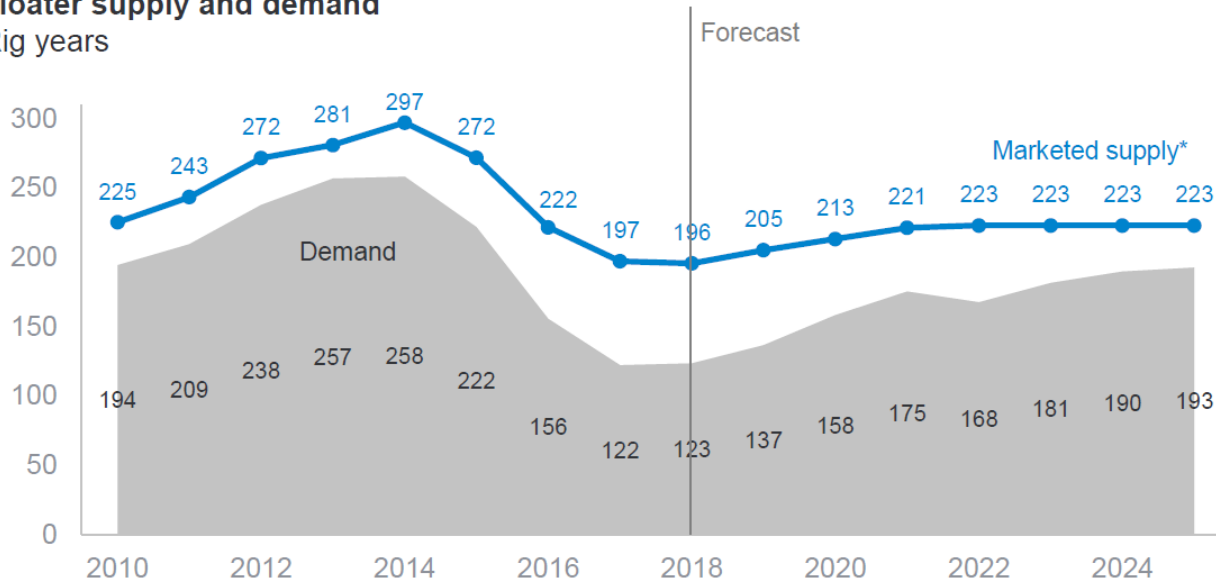
Total Fixture Activity (semis + drillships)



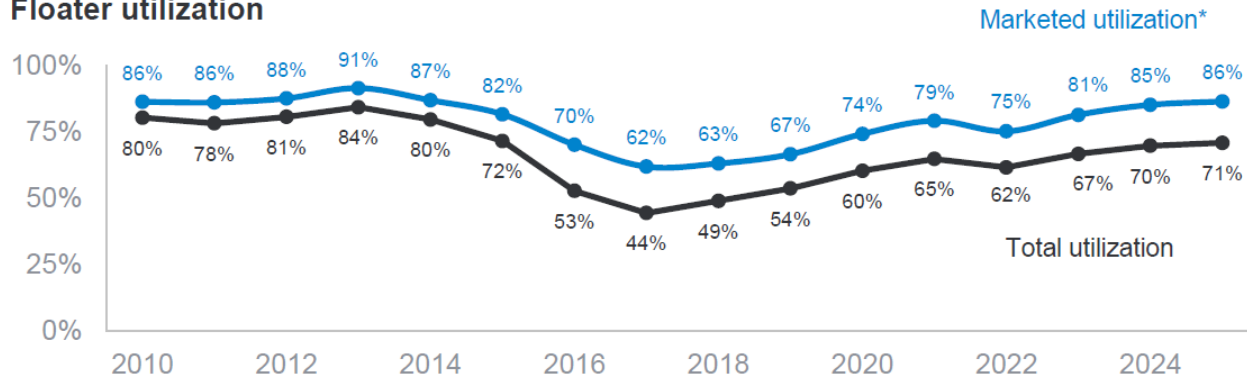
Source: Rystad 2018

High-spec utilization currently at ~70% but should increase significantly with current tendering for 2019/2020

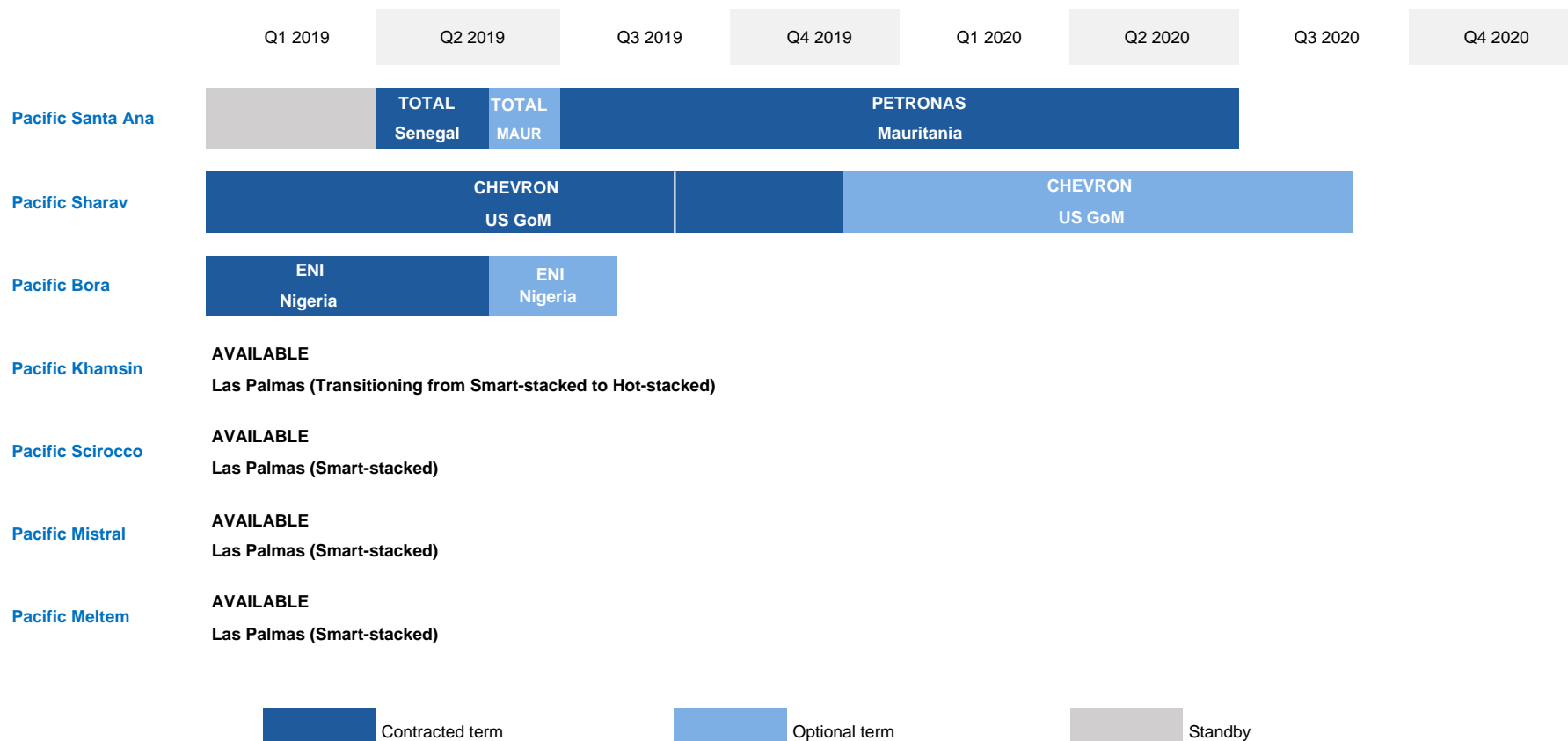
Floater supply and demand
Rig years



Floater utilization



Contract coverage with blue-chip customers and sufficient exposure to market recovery





Thank you