

COMPANY ANNOUNCEMENT

No. 21/2020

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## Maersk Drilling releases Q3 2020 Trading Statement: Tightening the 2020 EBITDA guidance at the high end of the previous range to USD 275-300m

Today, the Board of Directors of The Drilling Company of 1972 A/S ("Maersk Drilling") has adopted the trading statement for the third quarter of 2020 (Q3 2020):

### Performance highlights for Q3 2020 (Q2 2020 in brackets)

- Revenue of USD 226m (USD 305m) impacted by lower utilisation and lower average day rates following the contract terminations and suspensions from the first half of the year
- Continued strong operational performance with financial uptime of 99.8% (99.5%)
- Contracted days were 1,146 (1,303) resulting in a utilisation of 58% (66%)
- Average day rate excluding one-offs of USD 187k (USD 208k)
- Secured contracts with a total contract value of USD 132m (USD 161m)
- Revenue backlog of USD 1.5bn at 30 September 2020 (USD 1.6bn at 30 June 2020); hereof revenue backlog for 2021 of USD 646m (USD 616m at 30 June 2020). Forward contract coverage for the remaining part of 2020 of 55% and 40% for 2021.

### Guidance 2020

The full-year guidance for 2020 from 7 May 2020 is revised as follows:

- Profit before depreciation and amortisation, impairment losses/reversals and special items (EBITDA before special items) is expected to be in the range of USD 275-300m (previously in the range of USD 250-300m).
- Capital expenditures are expected to be around USD 150m (unchanged).

The guidance reflects the current contract backlog with no additional contracts impacting 2020 as well as an expectation of continued limited operational impact from COVID-19 although certain specific COVID-19 related costs reported as special items are expected.

### CEO Jorn Madsen quote

"In the third quarter, we continued to deliver as expected, and we are now adjusting our guidance towards the higher end of the previously announced range. We have continued our cost discipline to support both our short- and long-term profitability, and I am truly proud of our people's relentless efforts to uphold a strong operational performance and secure new contracts under these unprecedented circumstances. We start seeing increased market activity with many ongoing tenders and customer dialogues. We also launched our sustainability strategy with clear emissions reduction targets in line with the Paris Agreement. This has been well received by our customers as it supports them in their journeys towards emissions reductions."

### The Drilling Company of 1972 A/S

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**Webcast**

In connection with the release of the Q3 2020 trading statement, a conference call for investors and analysts is scheduled today at 10:00 (10:00 a.m.) CET. On the call, CEO Jorn Madsen and CFO Jesper Ridder Olsen will present the Q3 2020 trading statement. The presentation will be followed by a Q&A session.

The conference call can be followed live via webcast [here](#).

The presentation slides for the conference call will be available beforehand [here](#).

A replay of the conference call will be available afterwards on the [Investor Relations site](#).

**For further information, please contact:**

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