

Ocean Rig UDW Inc.
NASDAQ: “ORIG”

March 09, 2016

4th Quarter Ended December 31, 2015
Earnings Presentation

Forward Looking Statements

Matters discussed in this presentation may constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Private Securities Litigation Reform Act of 1995 provides safe harbor protections for forward-looking statements in order to encourage companies to provide prospective information about their business. The Company desires to take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 and is including this cautionary statement in connection with such safe harbor legislation.

Forward-looking statements relate to Ocean Rig's expectations, beliefs, intentions or strategies regarding the future. These statements may be identified by the use of words like "anticipate," "believe," "estimate," "expect," "intend," "may," "plan," "project," "should," "seek," and similar expressions. Forward-looking statements reflect Ocean Rig's current views and assumptions with respect to future events and are subject to risks and uncertainties.

The forward-looking statements in this presentation are based upon various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management's examination of historical operating trends, data contained in Ocean Rig's records and other data available from third parties. Although Ocean Rig believes that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond Ocean Rig's control, Ocean Rig cannot assure you that it will achieve or accomplish these expectations, beliefs or projections described in the forward- looking statements contained herein. Actual and future results and trends could differ materially from those set forth in such statements.

Important factors that, in Ocean Rig's view, could cause actual results to differ materially from those discussed in the forward-looking statements include factors related to (i) the offshore drilling market, including supply and demand, utilization, day rates and customer drilling programs, commodity prices, effects of new rigs and drillships on the market and effects of declines in commodity process and downturns in the global economy on the market outlook for our various geographical operating sectors and classes of rigs and drillships; (ii) hazards inherent in the drilling industry and marine operations causing personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations; (iii) newbuildings, upgrades, and shipyard and other capital projects; (iv) changes in laws and governmental regulations, particularly with respect to environmental matters; (v) the availability of competing offshore drilling vessels; (vi) political and other uncertainties, including risks of terrorist acts, war and civil disturbances; piracy; significant governmental influence over many aspects of local economies, seizure; nationalization or expropriation of property or equipment; repudiation, nullification, modification or renegotiation of contracts; limitations on insurance coverage, such as war risk coverage, in certain areas; political unrest; foreign and U.S. monetary policy and foreign currency fluctuations and devaluations; the inability to repatriate income or capital; complications associated with repairing and replacing equipment in remote locations; import-export quotas, wage and price controls imposition of trade barriers; regulatory or financial requirements to comply with foreign bureaucratic actions; changing taxation policies; and other forms of government regulation and economic conditions that are beyond our control; (vii) the performance of our rigs; (viii) our ability to procure or have access to financing and our ability comply with our loan covenants; (ix) our substantial leverage, including our ability to generate sufficient cash flow to service our existing debt and the incurrence of substantial indebtedness in the future (x) our ability to successfully employ our drilling units; (xi) our capital expenditures, including the timing and cost of completion of capital projects; (xii) our revenues and expenses; (xiii) complications associated with repairing and replacing equipment in remote locations; and (xiv) regulatory or financial requirements to comply with foreign bureaucratic actions, including potential limitations on drilling activities. Due to such uncertainties and risks, investors are cautioned not to place undue reliance upon such forward-looking statements.

Risks and uncertainties are further described in reports filed by Ocean Rig UDW Inc. with the U.S. Securities and Exchange Commission, including the Company's most recently filed Annual Report on Form 20-F.

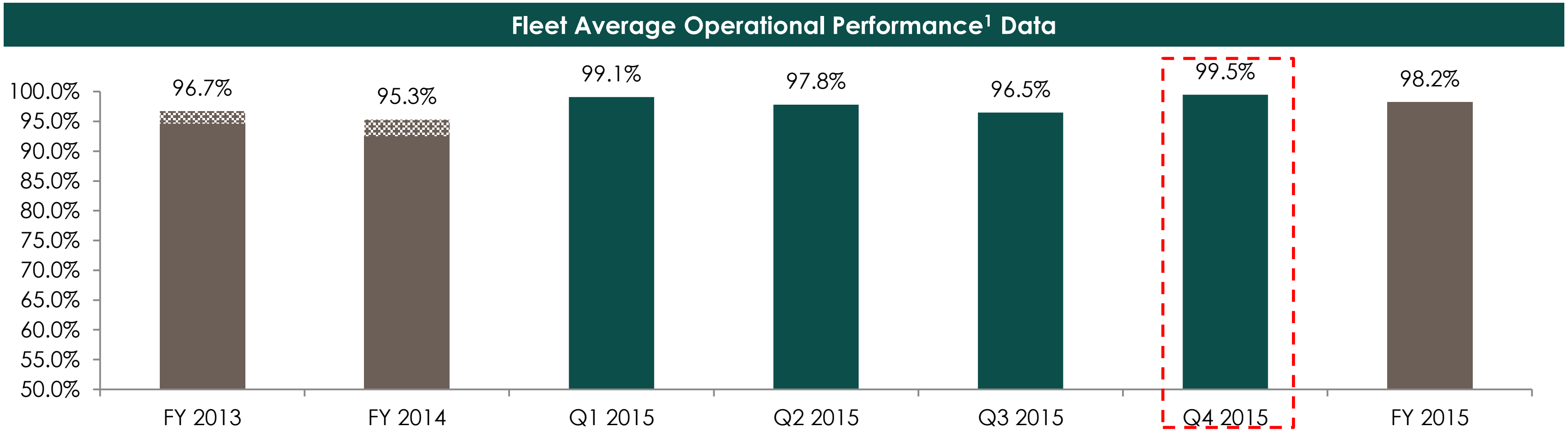
Q4 2015 financial results

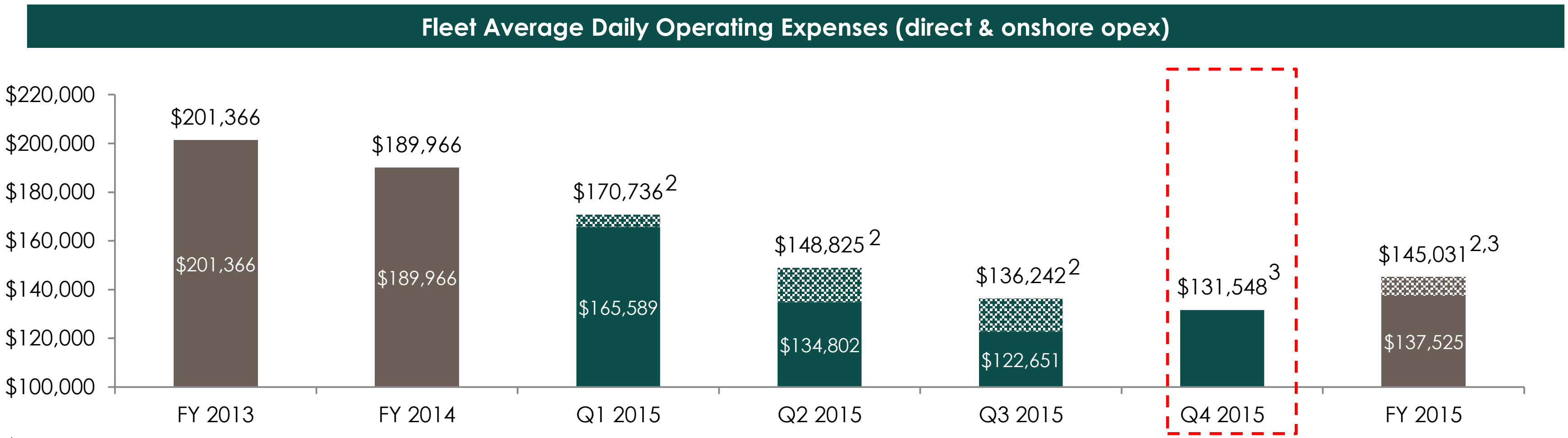
Results for Q4 2015	
	Net Revenue: $475.7 million
	Adjusted EBITDA: $300.8 million
	Reported Net Loss: $174.4 million or $1.26 per share
Minus:	Non-cash gains associated with the purchase of debt: $137.0 million or $0.99 per share
Plus:	Impairment charge associated with the Company’s drilling rigs: $415.0 million or $3.00 per share
	Adjusted Net Income: $103.6 million or $0.75 per share

Key highlights

- Achieved approximately 99.5% and 98.2% average fleet wide operating performance for the fourth quarter and full year 2015, respectively
- On March 7, 2016, we commenced arbitration proceedings against Total E&P Angola for the termination of the contract with *Ocean Rig Olympia*
- On March 7, 2016, we signed a drilling contract for the *Leiv Eiriksson* with Lundin Norway. The drilling contract is for a minimum of 3 wells, for drilling offshore Norway, with an estimated backlog of approximately $23.6 million. The rig is scheduled to commence this contract in Q3 2016
- As of March 7, we had purchased $369.0 million in principal amount of the 7.25% Senior Unsecured Notes due in 2019 and $340.3 million of the 6.5% Senior Secured Notes due in 2017, resulting in a total gain to the Company of $314.2 million
- On February 12, 2016, Premier Oil Plc. terminated the contract for the *Eirik Raude,* operating in the Falkland Islands. We have commenced arbitration proceedings against Premier
- On February 11, 2016, Total E&P Congo sent a notice to terminate the drilling contract for the *Ocean Rig Apollo*. As per the contract, we are entitled to a termination fee that varies from 50% to 95% of the operating rate that will be payable monthly until April 2018
- On January 21, 2016, ENI Angola S.p.A terminated the drilling contract for the *Ocean Rig Olympia* operating offshore Angola. We are currently in discussions to settle the amount due to it in an amicable fashion

Strong operational performance & significant cost reductions





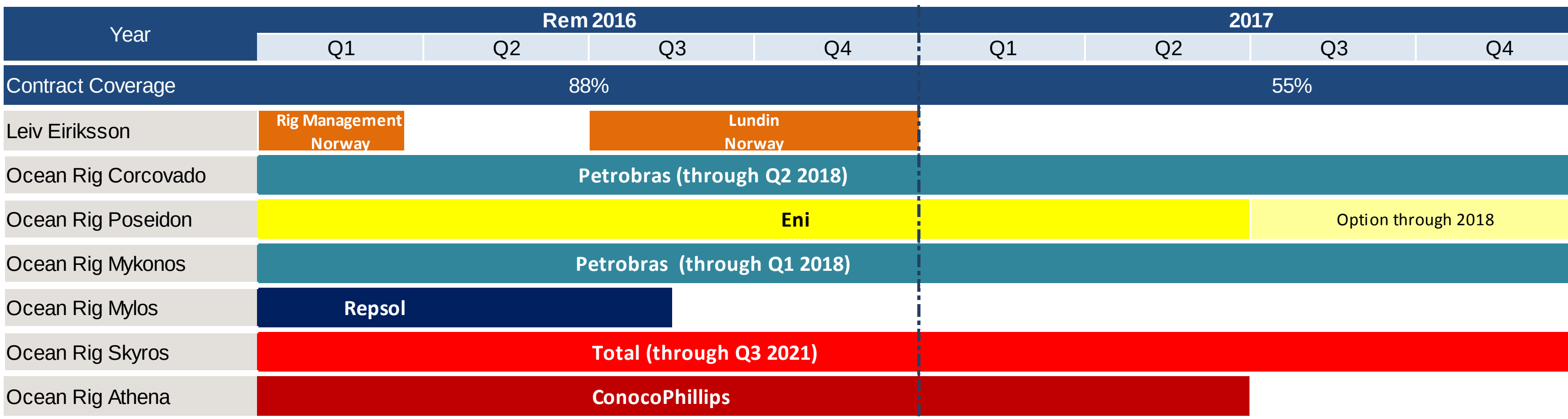
Notes

1) Operational performance calculated based on revenue earning days over available contracted drilling days (i.e. calendar days net of mobilization, acceptance testing, uncontracted/idle and drydock days). Shaded parts indicate extraordinary downtime effect
2) Opex per day per unit excluding Opex of idle units, Skyros and Olympia for the respective idle days. Skyros was idle for Q1, Q2 and Q3 2015 and Olympia for Q2 and part of Q3 2015. Idle units Q3 opex per day incorporated in the calculations, assumed approximately $32,000. Q1, Q2 and Q3 2015 total opex per day, including idle units were $165,589, $134,802 and $122,651, respectively.
3) Does not include Cerrado operating expenses

Operational & Financial Highlights

Solid operating fleet employment profile

- Average contract remaining fixed period of 1.8[1] years
- 88%[1], 55 %[1] calendar days under contract in remaining 2016 and 2017, respectively, for operating fleet
- $2.67 billion revenue backlog[1]



1) *Includes operating fleet only (excluding Newbuilding vessels Ocean Rig Santorini, Ocean Rig Crete and Ocean Rig Amorgos and uncontracted units Eirik Raude, Ocean Rig Olympia and Ocean Rig Apollo).*

Backlog data as of March 7, 2016

Q4 2015- Revenue and operating expenses summary

- During the quarter, we had 920 calendar days of which 20 days were spent on mobilization (Ocean Rig Olympia, Ocean Rig Skyros)
- Resulting in 900 available contracted drilling days, of which 895 were revenue earning days i.e. 99.5% contracted operating efficiency(1)

	Mobilization/ Uncontracted Days	Available Contracted Drilling Days (a)	Off-hire Days (b)	Revenue Earning Days (a-b)	Contracted Operating Efficiency (1) (c)	Amortization of Deferred Revenues ($ mln)
Total Fleet Q4 2015	**20**	**900**	**5**	**895**	**99.5%**	**$41.9**

- Our daily direct and onshore rig operating expenses this quarter averaged $131,548/unit(2) versus $136,242(3)/unit during Q3 2015, and $187,401/unit during Q4 2014

	Q4 2015 Direct & Onshore Rig Opex(2)		Q4 2015 Amortization of Deferred Opex
	(in USD million)	*($ per day)*	*(in USD million)*
Total / Average Fleet(2)	**$121.0**	**$131,548**	**18.1**

Notes:
(1) Contracted Operating Efficiency defined as Revenue Earning Days over Available Contracted Drilling Days
(2) Does not include Cerrado operating expenses
(3) Opex per day per unit excluding Opex of idle units, Skyros and Olympia for the respective idle days. Skyros was idle for Q1, Q2 and Q3 2015 and Olympia for Q2 and part of Q3 2015. Q3 2015 total opex per day, including idle units were $122,651.

Any differences due to rounding

Income Statement

(Expressed in Millions of U.S. Dollars except for share and per share data)

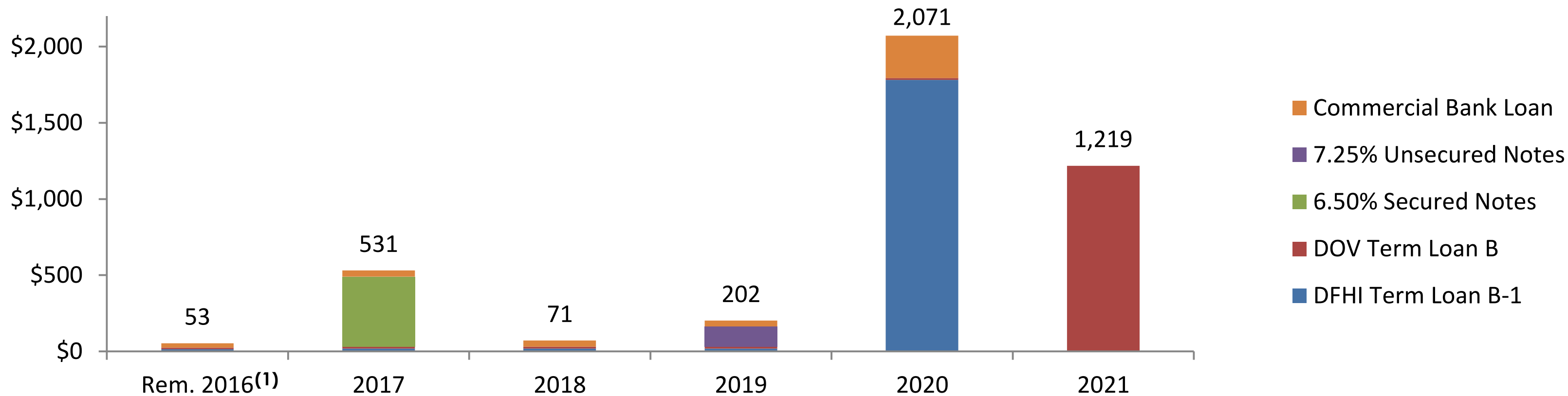
	Q4 2015
REVENUES:	
Revenues, net	*433.9*
Amortization of deferred revenue	*41.9*
Total Revenues	475.7
EXPENSES:	
Direct & onshore rig operating expenses	*121.6*
Maintenance expenses & other items, net	*11.2*
Amortization of deferred operating expenses	*18.1*
Total drilling rig operating expenses	150.9
Impairment Loss	415.0
Depreciation and amortization	95.1
General and administrative expenses	23.7
Gain/Loss on sale of rigs/assets	5.2
Other, net	0.6
Operating income/(loss)	**-214.8**
OTHER INCOME/(EXPENSES):	
Net interest and finance costs	-68.2
Gain from repurchase of senior notes	137.0
Gain/(loss) on interest rate swaps	4.8
Other, net	0.4
Total other expenses	**73.9**
Income taxes	-33.5
Net income/ (loss)	**-174.4**
Earnings/ (loss) per common share, basic and diluted	**-$1.26**
Weighted average number of shares, basic and diluted	138,377,314

Solid Balance Sheet

- Weighted average debt maturity of 5.3 years[1]
- No near-term maturities; next significant maturity in Q4 2017

	DFHI Term Loan B-1	7.25% Unsecured Notes	6.50% Secured Notes	DOV Term Loan B	Commercial Bank Loan
Amount Outstanding [1]	$1,853mil	$131 mil	$460 mil	$1,281mil	$423 mil
Interest Rate / Coupon	Libor[2]+5.00%	7.25%	6.50%	Libor[2]+4.50%	Libor[3]+2.10%
Annual Amortization [4]	$19.0 mil	N/A	N/A	$13.0 mil	$38.9 mil
Earliest Maturity	Q3 2020	Q2 2019	Q4 2017	Q3 2021	Q1 2020

Current maturity profile[1]

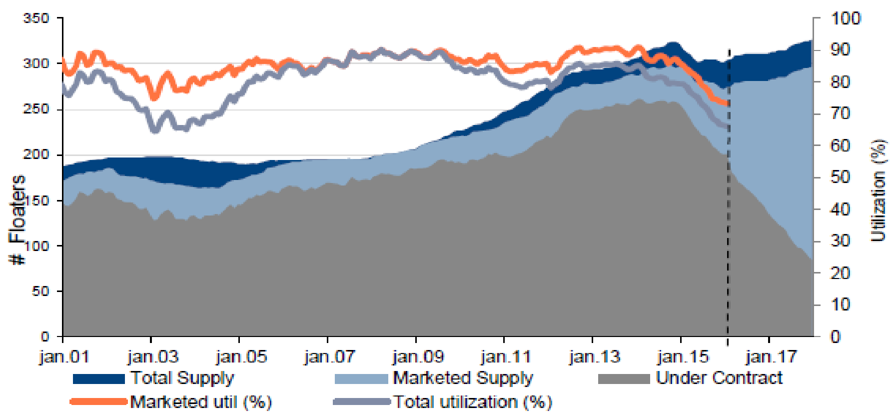


(1) As of March 07, 2016
(2) Libor floor of 1.00%
(3) 3 month Libor with no floor
(4) Term loans and commercial bank loan amortize quarterly

Industry Overview

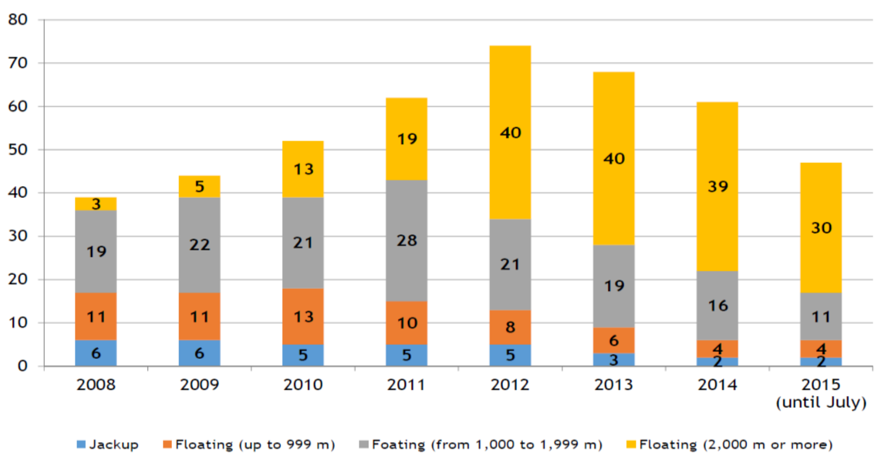
Rebalancing the offshore drilling market

Offshore Drillers Supply[3]



- The floater fleet (marketed and cold stacked) is comprised of 307 units of which 149 units were built prior to 2005 but in reality are much older
- Since the start of the downcycle, utilization of units has decreased to 65%
- This decrease has accelerated cold stacking and scrapping
- Contract coverage of units decreases sharply over the next 2 years

Petrobras Offshore Rig Fleet (domestic)[1]



- Petrobras offshore rig fleet has declined from 70 rigs to c. 40[2]
- Petrobras accounts for approximately 30% of global demand for offshore drilling

To rebalance the market the total floater fleet has to be reduced to 130 units from the current floater fleet of 307 units

1) Source: Petrobras Presentation, BTG Pactual VI Latam CEO Conference 10/01/2015
2) Source: Offshore Drilling report, DNB 3/03/2016
3) Source: Drillers Weekly report (Week 9), Fearnley Sec 3/01/2016

Closing Remarks

Closing remarks

- Attractive portfolio of modern drilling units
  - Fleet of 11 modern (6th and 7th generation) UDW drillships and 2 UDW harsh environment semi-submersible rigs
  - Premium high specification standardized assets

- Attractive cash flow
  - Significant contracted cash flow with $2.67 billion backlog(1)
  - No material debt maturities until Oct. 2017

- Preparing for "Lower for Longer Scenario"
  - Focus on further reducing operating costs (~30% opex decrease over the last 12 months)
  - Focus on maintaining high operating efficiency (~98% for 2015)
  - Focus on preserving liquidity through liability management

- Taking advantage of opportunities
  - Allocated $180 million to pursue distressed asset opportunities by forming Ocean Rig Investments, an unrestricted subsidiary

(1) Backlog as of March 07, 2016

Appendix

Pure-play ultra-deepwater driller with premium assets

Harsh environment UDW semis

5th generation semisubmersibles

Leiv Eiriksson

Eirik Raude

- Built at Dalian/Friedman Goldman Irving
- Up to 10,000 ft. water depth capacity
- Up to 30,000 ft. drilling depth capacity
- Equipped to operate in both ultra-deepwater and harsh environment
- Winterized for operations in extreme climates, ideal for development drilling

Sister drillships provide benefits from standardization

Four 6th and four 7th generation drillships

Corcovado, Olympia, Poseidon, Mykonos

Mylos, Skyros, Athena, Apollo

- Built at Samsung Heavy Industries
- Sister drillships with common equipment, spare parts and training standards
- Up to 10,000-12,000 ft. water depth capability
- Up to 40,000 ft. drilling depth capability with 6 and 7 ram BOPs
- Dual derricks for increased drilling activity/efficiency
- Accommodations for up to 215 personnel on board
- *Ocean Rig Mylos* equipped with dual BOPs
- *Ocean Rig Mylos* equipped with MPD system, *Ocean Rig Corcovado* & *Ocean Rig Mykonos* MPD-ready upgrade paid by client

Healthy liquidity & capital structure

(in $ million)	*December 31, 2015*
Total cash	747.5
Senior Secured Term Loan B Facility[(1)]	1,257.5
B-1 Term Loans[(1)]	1,814.8
6.50% senior secured notes due 2017[(1)]	601.8
7.25% senior unsecured notes due 2019[(1)]	226.7
Commercial Bank Loan[(1)]	427.7
Total debt [(1)]	4,328.5
Total shareholders' equity	3,274.8
Total capitalization	7,603.3
Net Debt	3,581.0
Debt to Capitalization	56.9%
Net Debt to Capitalization	47.1%

Ownership on December 31, 2015	
Shares Outstanding	138,666,384
Free Float Shares	82,586,851
% of free folat Shares	59.6%
% ownership Drys	40.4%

Equity market capitalization: $ 139 mil
Current Enterprise Value [(2)]: $ 3,169 mil

(1) Net of capitalized financing fees
(2) On a 10 unit fleet basis,

Assumes $ 1.0 share price

Projected deferred revenue & expense amortization

As of March 02, 2016

(USD million)	Q1A 2015	Q2A 2015	Q3A 2015	Q4A 2015	FY 2015	Q1E 2016	Q2E 2016	Q3E 2016	Q4E 2016
Amortization of deferred revenues	37.0	44.7	45.6	41.9	169.2	39.1	32.0	24.5	17.9
Amortization of deferred expenses	22.6	20.5	20.4	18.1	81.7	16.2	11.5	9.0	7.2

Includes current accounting schedule and projected additions from future mobilizations

Definitions

Deferred Revenues include lump sum fees received related to mobilization, capital expenditures reimbursable for contract related rig upgrades etc. These revenues are capitalized and amortized through the duration of the contract.

Deferred Expenses include costs (recurring operating expenses, tug boats & helicopter rentals etc.) incurred during mobilization, capital expenditures for contract related rig upgrades etc. These costs are capitalized and amortized through the duration of the contract.

Mobilization revenue based on current estimates; actual revenue and actual expenses will differ from projections. Our projections for mobilization days will differ from actual mobilization days
Mobilization expenses based on estimated mobilization days indicatively multiplied by $150,000/day estimated operating expenses
Differences due to rounding,

Balance Sheet

(Expressed in Thousands of U.S. Dollars)	December 31, 2014	December 31, 2015
ASSETS		
Cash, cash equivalents and restricted cash (current and non-current)	$ 531,497	$ 747,485
Other current assets	446,695	500,637
Advances for drillships under construction and related costs	622,507	394,852
Drilling rigs, drillships, machinery and equipment, net	6,207,633	6,336,892
Other non-current assets	233,289	40,354
Total assets	8,041,621	8,020,220
LIABILITIES AND STOCKHOLDERS' EQUITY		
Total debt, net of deferred financing costs	4,372,450	4,328,468
Total other liabilities	502,895	416,987
Total stockholders' equity	3,166,276	3,274,765
Total liabilities and stockholders' equity	$ 8,041,621	$ 8,020,220