



**Company Presentation
September 2010**

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EXECUTIVE SUMMARY

Executive Summary

- **Pacific Drilling Limited is a newly established, ultra-deepwater, drillship operator**
 - Established in 2006 as an independent division of the Ofer Group; natural extension of Group's offshore and shipping activities
 - Strong management team with many years experience in Oilfield Services and Offshore Management
- **The company has interest in 6 best-in-class drillships built by Samsung Heavy Industries ("SHI")**
 - Two ships in joint venture with Transocean (delivered in 2009 on budget, on time); both contracted to Reliance Industries and ONGC in India and fully-financed
 - Four wholly-owned drillships under construction, with one to be delivered in late Sept. 2010, and the other three in 2011
- **Company on target with plan: best-in-class organization is built up; management systems put in place; qualified for all major oil companies**
- **Market demand for premium assets with the deepest water capabilities remains robust**
 - Actively participating in market opportunities; multiple contract prospects worldwide
 - 5 years of contracted backlog with Chevron in the Gulf of Mexico
- **Shareholder already invested over US\$1.3Bn in equity and the company is currently closing a \$1.8Bn project financing facility with commercial banks and ECA's**

PACIFIC DRILLING COMPANY PROFILE

Company Background

- **Pacific Drilling Limited is dedicated to being the preferred, pure-play, ultra-deepwater drillship operator**
 - A Fleet of 6 new SHI built drillships: 2 in operation in India and 4 under construction in South Korea
 - Turnkey contracts with the most reliable yard in the industry
 - Prime assets with the highest level of specifications and technical abilities

- **Two ships in joint venture with Transocean – Transocean Pacific Drilling Inc.**
 - On time and on-budget per approved budget and bank commitments; considered “best-in-class” construction management performance
 - Both operated by Transocean and contracted to Reliance Industries, one of which assigned to ONGC
 - Financed through a 5-year post-construction \$1.265B financing, secured by rigs and contracts

- **Four ships wholly-owned by Pacific Drilling**
 - All four constructed by Samsung Heavy Industries (“SHI”)
 - Construction oversight by Pacific Drilling; deliveries staggered from late 2010 to mid 2011

- **Natural business extension for one of the world’s largest private tonnage and offshore installation owners**
 - Technical support and expertise from companies of the Ofer Group
 - Full construction management team in place, with deliveries staggered to allow management of all units by same team
 - Executive and operational management team in place – offshore team under development

A Fleet of Best-in-class High-specification Assets

■ Six Samsung Heavy Industries Ultra-Deepwater Drillships

- Proven design from a proven yard using well established topsides design from National Oilwell Varco (NOV)
 - SHI building over twenty units of similar design
- Two JV rigs contracted to Reliance with customer specific upgrades
 - DDKG1 = 10,000' operating water depth, single activity with offline stand-building
 - DDKG2 = 12,000' operating water depth, single activity with offline stand-building and riser hang-off cart
- Two rigs based on modified SHI 10000 hull with enhanced moderate to harsh environment operating capability
 - 10,000' single activity, with offline stand-building and increased accommodations (*200 berths*)
 - Enhanced thruster capacity and hull-strengthening to expand operating envelope
- Two rigs based on Saipem 12000 design
 - 12,000' nominal water depth - upgraded riser handling, tensioners and subsea systems
 - Designed for full dual activity with twin 1000ST load paths, enhanced mud and solids handling and 200 man accommodation

■ All rigs under turnkey construction contracts

- Drilling packages are turnkey NOV with full commissioning support

■ PDL is SHI's largest drillship customer

- Group is one of the largest fleet customers of SHI



Construction Schedule

Pictures are from the Pacific Bora



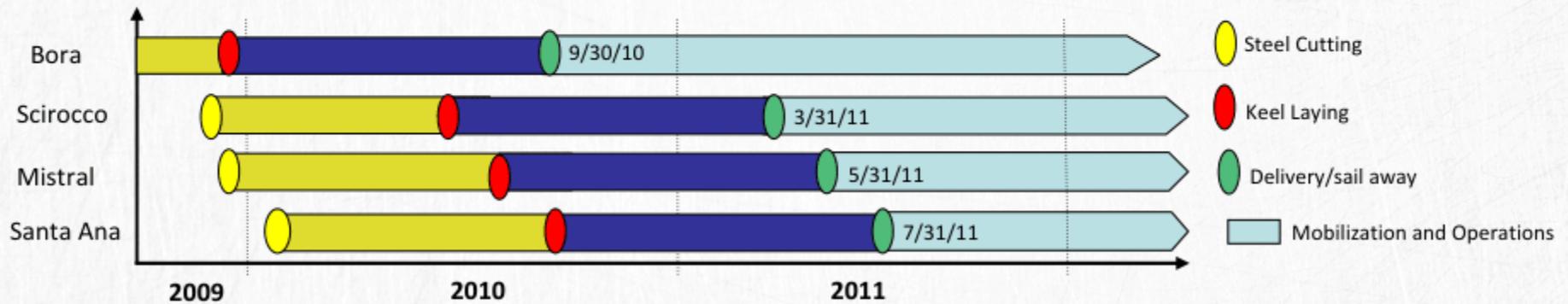
Feb. 20, 2010



Feb. 20, 2010



Jan. 2010





Chevron USA / Pacific Santa Ana Charter

12-05-2010

Pacific Santa Ana awarded 5-year contract with Chevron

HOUSTON - Pacific Drilling Limited is pleased to announce the signing of a contract with Chevron USA Inc. for the Pacific Santa Ana per the previously released letter of intent. The contract represents a revenue stream of approximately \$880Million over the five year initial term which commences in late 2011.

Pacific Santa Ana, under construction in South Korea, represents the height of current drilling technology, with capabilities to operate in up to 12,000ft water depth and drill to over 35,000ft well depth.

Pacific Drilling Limited is a privately owned, ultra-deepwater drilling contractor, which has an interest in six Samsung design ultra-deepwater drillships. Four drillships Pacific Bora, Pacific Scirocco, Pacific Mistral and Pacific Santa Ana are expected to be delivered between September 2010 and July 2011 and will be wholly owned and operated by Pacific Drilling. Two vessels are currently operating in India and are held and operated by a 50% JV.

Building Partnership with Clients

- The high profile contract award with Chevron for “dual gradient drilling” differentiates Pacific Drilling from other new entrants
 - Rigorous due-diligence by Chevron validates Pacific Drilling’s technical, operational, and financial strengths
 - Several pending term contract opportunities with Chevron will be enhanced by this award
 - Existing contract will be the basis for global International Master Agreement
 - Credibility from this award enhances opportunities with other operators
- Philosophy of engagement with clients at an early stage of a project
 - Co-location of rig management resources in client office to enhance communication
 - Close engagement with client engineering resources to support construction process
 - High visibility of Pacific Drilling senior management at all levels of client organization
- Strength of management team recognized by multiple clients (both IOCs and NOCs)
 - Qualified for and included in all UDW tender opportunities worldwide
 - No dedicated sales organization – contract acquisition and management is the responsibility of line management

OFFSHORE DRILLING MARKET UPDATE

Continuing Activity In the Ultra-Deepwater Market

- **Market demand for premium assets with the deepest water capabilities remains robust**
 - Demand for UDW assets kept pace with growing supply despite some weakness in other offshore drilling segments
 - Future requirements post the GoM moratorium expected to favour newer, larger and more technologically-advanced vessels
 - Major oil companies continue to upgrade their floating rig fleets and utilize more dynamically positioned rigs at the expense of lower tier floating rigs and midwater rigs

- **Base demand driven by development of multiple discoveries over last 10 years, especially in West Africa, and ongoing exploration in mature basins of the Golden Triangle**

- **Brazil sub-salt play likely to introduce significantly more demand over next 2-3 years**
 - 28 additional rig requirements claimed by Petrobras
 - US\$174Bn E&P capex plan offering numerous business opportunities

- **Emerging prospects in S.E. Asia, Mediterranean and Black Seas, and deeper more complex plays in established areas**

Strong Fundamentals Throughout the Cycle

- **Existing fields' depletion rates drive the need for continued new productive capacity**
 - Global productive capacity declines estimated at 5-8% represent over 4 million bbls per day per year that must be replaced simply to meet flat demand
 - This equates to the replacing all the current combined oil production capacity of Nigeria and Angola
 - Economic recovery set to stimulate demand for oil and other commodities in the next few years

- **Anticipated oil price realizations are expected to support the strong demand environment**
 - Oil price currently trading above \$75/bbl
 - Futures prices and industry forecasts point to medium-term levels north of \$90/bbl

- **Ultra-deepwater represents almost the only province with both the accessibility and the scale of projects to meet the Oil Major's requirements**
 - UDW Projects are typically at the lower cost end of the supply curve and so will be attractive relative to other projects

- **New discoveries require higher capability assets and more time to develop**

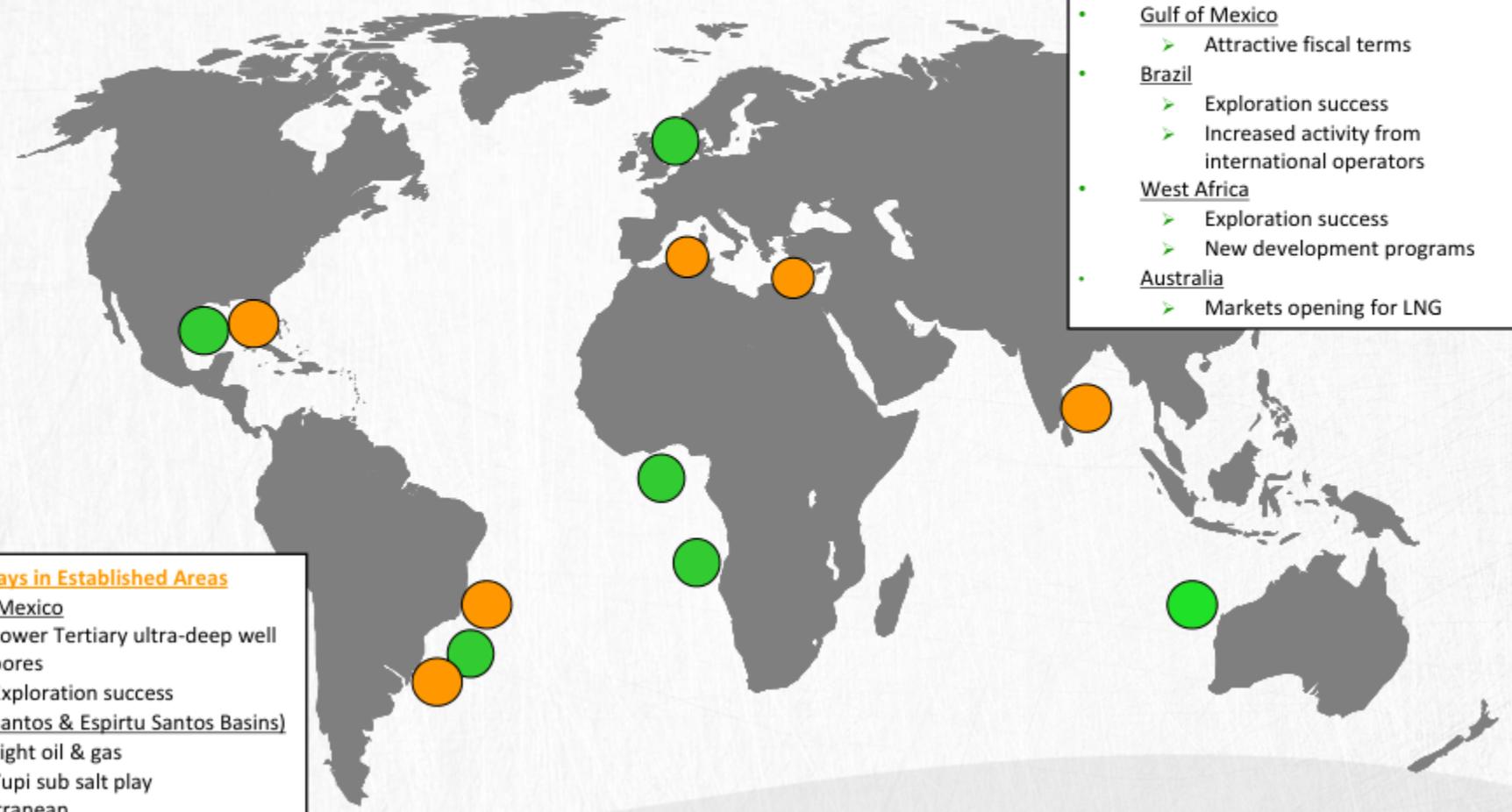
- Established Areas Show Continuing Strength
- Developing Plays Support Growth of the Sector



Supports Deepwater Sustainability

- Established**
- Gulf of Mexico
 - Attractive fiscal terms
 - Brazil
 - Exploration success
 - Increased activity from international operators
 - West Africa
 - Exploration success
 - New development programs
 - Australia
 - Markets opening for LNG

- Developing Plays in Established Areas**
- Gulf of Mexico
 - Lower Tertiary ultra-deep well bores
 - Exploration success
 - Brazil (Santos & Espirtu Santos Basins)
 - Light oil & gas
 - Tupi sub salt play
 - Mediterranean
 - Deepwater Egypt and Libya
 - India
 - Continued KG Basin success



Established Developing

ORGANIZATION AND OPERATIONAL READINESS UPDATE

Team-based culture:
 Management and support organization are in place

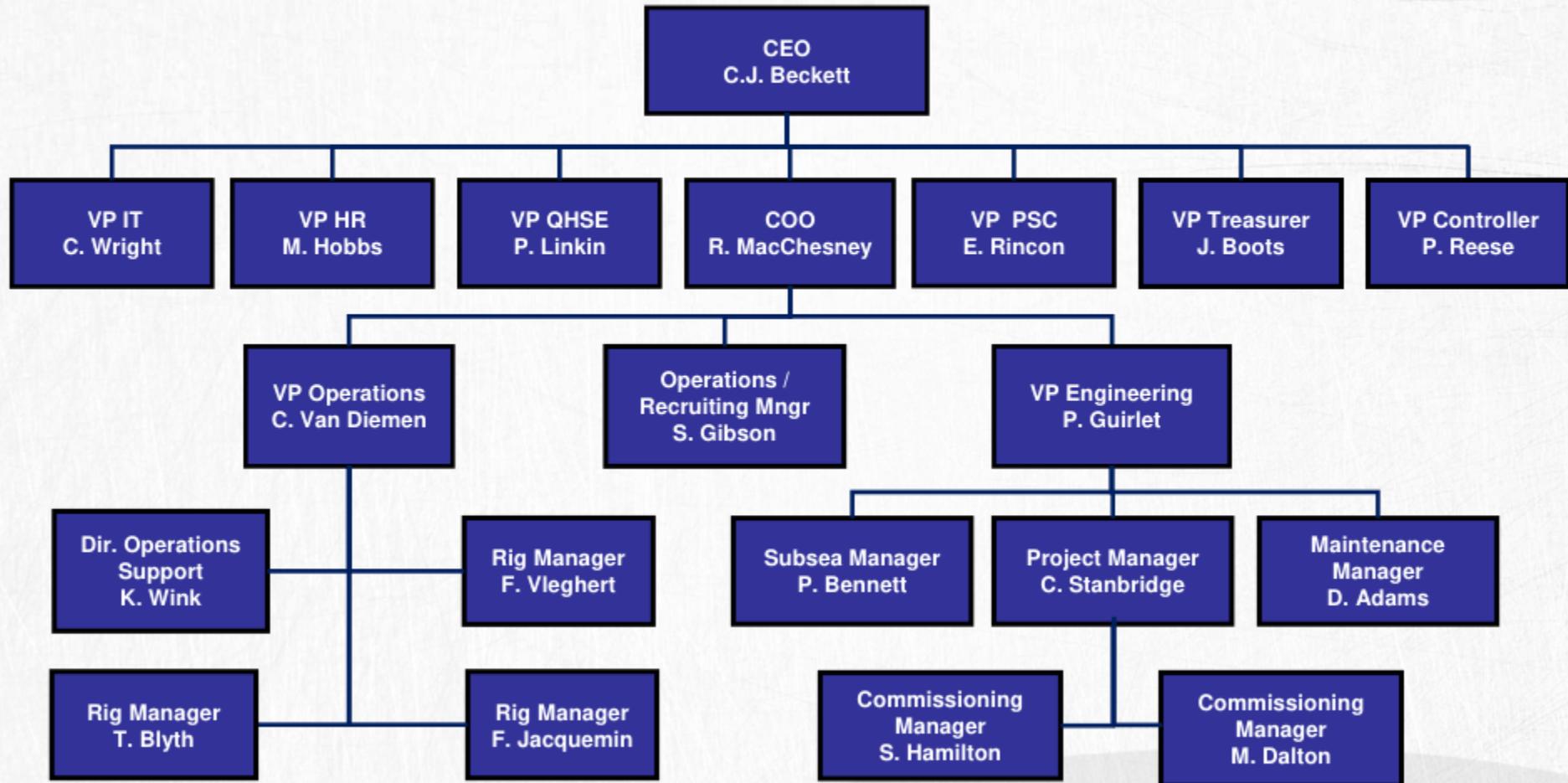


Chart prepared to illustrate reporting lines, not seniority

Building Solid and Scalable Management Systems

- **Pacific Drilling Management System (MS) developed**
 - Holistic enterprise-wide system – applicable across organization
 - Based on ISO Management Standard Principles and Industry best practices
 - We intend to be compliant with all relevant industry and quality systems and may seek independent certification against ISO 9001, ISO 14001, OHSAS 18001 if appropriate
- **Strong emphasis on Line Management responsibility for both Quality and HSE with support from a dedicated Quality and HSE department**
 - QHSE Management Team in place including Quality Manager, HSE Manager and Construction Project HSE Advisor in place
 - HSE Manual developed and under continual improvement
 - Well control manual developed
- **Vision and Values, Quality Policy, HSE Policy, Code of Conduct and other functional department policies in place**
- **Documentation Management process clearly defined and document development ongoing throughout organization with involvement of all personnel**
- **Human Resources and Supply Chain Standards & Procedures in place**
- **Proactive, industry leading software lifecycle and change management system developed, supported by unique relationship with Athens Group to ensure trouble-free rig start-up**

Risk Profile Well Thought Through

- **Turnkey construction of four drillships by highly reputable and experienced Korean shipbuilder (Samsung Heavy Industries)**
- **Construction on time and on budget**
- **Proven vessel design using proven equipment technology**
- **Implemented construction & commissioning Lessons Learned from Joint Venture**
- **Operational leadership from first class and experienced management team**
- **Target customers: high credit quality NOC's and Investment-grade IOC's**
- **Strong sponsor**

ILLUSTRATIVE FINANCIAL PROJECTIONS

Project Projections and Economics: Illustrative Example

- The Rig is assumed to begin drilling on January 1, 2011

- Total Rig Cost: \$750 MM

Operating Assumptions:

- Day Rate : \$450,000
- Opex (per day) : \$150,000
- Cost Escalation : 2%
- Contract Tenor : 5 years
- Tax (% of Revenue) : 3%

Financing Assumptions:

- Interest on Debt : 7.0%
- Loan Tenor : 5 years
- Loan Amount : \$450 MM
- Balloon Payment : \$200 MM

Indicative Cash Flow Projections						
	Pre-Delivery	2011	2012	2013	2014	2015
Revenues		147.8	156.6	157.6	158.6	159.7
Mob Fees (net of expenses)		20.0				
Opex		(54.8)	(55.8)	(57.0)	(58.1)	(59.3)
EBITDA		113.1	100.8	100.6	100.5	100.4
Taxes		(4.4)	(4.7)	(4.7)	(4.8)	(4.8)
Net Interest Expenses		(29.8)	(26.3)	(22.8)	(19.3)	(19.3)
Operation Cash Flows		78.9	69.8	73.2	76.5	76.4
Construction Capex	(750.0)					
Maintenance Capex		(3.0)	(3.0)	(3.0)	(3.0)	(3.0)
Free Cash Flows	(750.0)	75.9	66.8	70.2	73.5	73.4
Issuance of Equity	300.0					
Debt Issuance / Repayment	450.0	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
Net Change in Cash	0.0	25.9	16.8	20.2	23.5	23.4
Ending Cash Balance	0	25.9	42.7	62.9	86.4	109.7
Ending Debt Balance	450.0	400.0	350.0	300.0	250.0	200.0
Net Debt	450.0	374.1	307.3	237.1	163.6	90.3
EBITDA/Net Interest Expense		3.8x	3.8x	4.4x	5.2x	5.2x
Debt/EBITDA		3.5x	3.5x	3.0x	2.5x	2.0x
Net Debt/EBITDA		3.3x	3.1x	2.4x	1.6x	0.9x
Projected Debt Service Coverage Ratio		1.32x	1.38x	1.45x	1.45x	NM

APPENDIX



Pacific Drilling Management Biographies

Chris Beckett, CEO

Chris has nearly twenty years experience in the energy industry, including over ten years with Schlumberger in a series of international management roles with increasing responsibility, three years at McKinsey & Co. providing strategic and operating advice to global energy companies and governments, and most recently four years at Transocean where he led the Strategic Business Development and Planning. Chris holds a B.Sc (*hons*) from University of London in Exploration Geophysics and Masters of Business Administration from Rice University, where he graduated as a Jones Scholar.

Bob MacChesney, COO

Bob has twenty-nine years experience in the drilling industry, including 20 years with Schlumberger (*Sedco Forex*) and nine with Transocean. During his tenure with these companies he served in a variety of positions between Operations Management and Marketing including Country Manager in Malaysia, India, Brazil and UK; Region Manager in Middle East and India and Corporate Director Deep Water Marketing. Bob has a BSc in Engineering from Southampton University in the UK.

Cees Van Diemen, VP Operations

Cees Van Diemen has joined the company as Vice President of Operations. Cees brings thirty-two years experience in the mobile offshore drilling industry, including 25 years with Noble Drilling Corporation and its predecessor Neddrill. His career started offshore in the traditional drill positions from Floorman to Offshore Installation Manager, before taking on increasing responsibility in onshore management roles from rig manager in West Africa, the Mediterranean and the North Sea, to district manager in the North Sea and Division manager in Europe and lately in Brazil. During his career, Cees has had extensive experience in deepwater drilling from the early days of 600ft water depth activity in 1977 to recent operations in 9200ft water depth. Cees holds a BSc in automotive engineering from the University of Apeldoorn in the Netherlands.

Paul Guirlet, VP Technical Support

Paul joined Pacific Drilling after 19 years of experience in various engineering and operations positions with various major drilling contractors, including 12 years with Sedco Forex and Transocean. Paul has extensive experience in Engineering, rig upgrade and construction, developing and implementing Maintenance Management systems, as well as Rig Operation Management in West Africa and Indonesia. Paul is a Graduate Engineer from Ecole Nationale Supérieure de Techniques Avancées, Paris.

Pacific Drilling Management Biographies (Cont'd)

Paul Linkin, VP QHSE

Paul joined Pacific Drilling after nearly 20 years of experience in various operations and QHSE management roles at Schlumberger. Paul has extensive experience developing and implementing management systems in both field and office environments, with a particular focus on Quality and HSE management in remote locations. Paul holds a B.Eng degree in Electrical Engineering from University of Portsmouth.

Paul Reese, VP Controller

Paul has been a finance professional in the oilfield services and E&P space for over fifteen years. Prior to joining Pacific Drilling he was Controller for the Global Exploration and Development division at BHP Billiton Petroleum. Before that Paul served in various financial management roles at Transocean including Finance Director for the North and South America Business Unit and Assistant VP for Audit and Advisory Services. Paul holds a BA in Economics and Business Managerial Studies and Masters in Accounting from Rice University.

John Boots, VP Treasurer

John brings over 20 years of US and European experience in the energy industry, including fourteen years at Noble Drilling and its predecessor Neddrill and two years as a financial and management consultant for multiple oilfield service companies. Most recently, John was Corporate Treasurer & Director of Investor Relations at Global Industries. During his tenure with these companies he served in a variety of financial leadership roles, including Treasury, Finance, Controlling, Investor Relations & Internal Audit, based in the US, Netherlands and Italy. John holds a BA in Economics from the University of Alkmaar, the Netherlands.

Michelle Hobbs, VP Human Resources

Michelle is a Senior Management Human Resources Professional with extensive experience in international HR strategy development and execution, acquisitions and integration, organizational planning and design, compensation and budgeting. Most recently she served as VP Human Resources for TGS-NOPEC Geophysical Company and prior to that held roles with increasing responsibility in various services and manufacturing companies in Europe and North America. Michelle holds a BA from University of Houston and advanced certifications in HR from University of Michigan and Rice University.

Pacific Drilling Management Biographies (Cont'd)

Kevin Wink, Director Operations Support

Kevin brings 35 years of worldwide operational experience from Reading & Bates, and Transocean : from roustabout in the Gulf of Mexico to General Manager of Operations in charge of 13 rigs in India. Kevin has an extended and proven track record of managing high specification drilling rigs and starting up operations in new countries. He is focused on bringing together teams to provide dedicated and efficient operational support to our clients.

Steve Gibson, OM Special Projects

Steve has thirty years experience in the industry including 27 years with Sedco Forex and Transocean. Before moving into management he worked offshore from floor hand to OIM. In addition to a strong operational background Steve has served in various positions in the personnel function and until recently was head of personnel for Songa Drilling. In addition to contributing his operational experience Steve is responsible for recruitment of operational shore based management and senior offshore positions.

Frederik Vleghert, Rig Manager

Frederik joined Pacific Drilling after 25 years with Neddrill, and Noble where he worked from Roustabout to Assistant Driller on jack-ups and from Assistant-Driller to Offshore Installation Manager on DP drillships prior to take over his first rig Manager job in 2004, a position he held for the last 5 years. His work locations were mainly North Sea and Brazil.

Frederic Jacquemin, Rig Manager

Frederic comes from a engineering background (M.Sc Petroleum Engineering & Project Development – IFP School, Paris) and worked for Transocean for 6 years as Operations Engineer, and Rig Manager in West Africa, South East Asia and Australia.

Tom Blyth, Rig Manager

Tom worked 20 years with Sedco-Forex, and Transocean, from Roustabout to Offshore Installation Manager on DP semi-submersible units prior to being assigned as 5th generation DP drillship rig Manager in 2008. Tom spent most of his time in the North Sea, West Africa and Brazil.