

# Summary published in connection to the admission to trading of shares in Seadrill Limited on NASDAQ OMX Stockholm

This report is entirely based on information available in Seadrill Ltd (also referred to as “the Company” or “Seadrill”) annual reports, interim reports, the company’s website, press releases from the Company or information given by the Company’s primary exchange. If nothing else is stated “website” indicates the Company’s corporate website and “annual report” indicates the Company’s annual report. The Swedish FSA has not approved this summary.

## General

### Admission to trading of listed shares

OMX Treasury AB has applied for admission to trading of shares in the Seadrill Limited on NASDAQ OMX Stockholm.

The Company is listed on the regulated market at Oslo Stock Exchange. The Company’s latest published prospectus was approved by the Oslo Stock Exchange on November 25<sup>th</sup> 2005 and is available at Oslo Stock Exchange.

### Information regarding this Summary

This summary is not part of the prospectus and is issued by OMX Treasury AB solely due to the fact that the Company’s shares are being admitted to trading NASDAQ OMX Stockholm’s regulated market, in accordance with the Swedish Securities Market Act (2007:528) chapter 15, section 4, sub-section 1.

The Company has not been involved in preparing this summary. In accordance with the Swedish Financial Instruments Trading Act (1991:980) chapter 2, section 7, the Company will be notified by NASDAQ OMX Stockholm of the decision to admit the shares to trading on the regulated market.

All information in this summary is based on information published by the issuer.

The purpose of this summary is to provide the market with information on the Company in accordance with the Swedish Financial Instruments Trading Act (1991:980) chapter 2, section 7. The purpose is not to provide sufficient information for making investment decisions regarding the Company share. Investors shall not base investment decisions on the information in this summary. On the contrary, investment decisions shall be based on information issued by the Company as a whole.

The preparation of this summary shall not in any circumstances mean that the contents of the information on the Company would not have changed after the issuing date of the summary. This summary is not a guarantee, neither by the Company nor OMX Treasury AB, regarding future events and shall not be considered as such.

### Note to the investors

The purpose of this summary is not to be an encouragement or advice to invest in the Company. The summary shall not be distributed outside Sweden, except as such circumstances where this information does not breach any local legislation. Neither the Company nor OMX Treasury AB

nor their representatives have any kind of legal liability on any breaches referred to above, irrespective of whether such limitations are known or unknown by the investor.

## **Seadrill - the Company**

### **Group Information** [website/Company Facts on February 13<sup>th</sup> 2009]

Seadrill is a Bermuda-based international offshore drilling contractor with main offices in Norway, Singapore and the UK. Together with partners, the Company has 43 drilling units, out of which 11 are under construction. Seadrill's versatile fleet includes harsh-environment semi-submersibles, jack-ups, shallow and deep water tender rigs and deepwater drillships. In addition, Seadrill provides platform drilling, well intervention and engineering services.

The Company's mobile drilling fleet is considered one of the most modern in the world due to its emphasis on the technically demanding segments of the offshore drilling industry, including industry-leading positions in high-specification deepwater and harsh-environment drilling units. Seadrill has seven semi-submersible drilling units and three drillships under construction.

The Company has some 7,000 skilled and highly competent employees, many of these with more than 30 years' experience, representing over 25 nationalities, operating in 15 countries on five continents.

The Company is the world's leading operator of self-erecting tender rigs, with a fleet of nine tender rigs and five semi-tenders. In addition, it has one tender rig and one semi-tender under construction.

Seadrill owns and operates a fleet of the most capable premium jack-up drilling rigs. The jack-up fleet consists of eight units. In addition, the Company has one jack-up under construction.

The Company's drilling units are deployed throughout the world, with operations concentrated in the major geographic regions of northern Europe, Africa, South-East Asia and North America.

Seadrill has more than 30 years' experience from drilling operations in harsh environments in Europe's northern offshore areas and from tender rig operations in South-East Asia.

### **Outlook** [Fourth Quarter and preliminary 2008 Results, page 10]

Seadrill has built the most modern quality drilling fleet in the world with an average age that is almost 20 years younger than its peer group. The Board feels that a strong base has been created to give Seadrill shareholders a solid long-term return reflected by a combination of share price performance and dividend. The Board will maintain an active and opportunistic investment approach in order to maximize the return to shareholders.

The Board is convinced that the market for offshore drilling units will be strong in the longer term, in particular for the ultra deepwater segment. The remaining reserve-life for oil and gas has for the oil companies over the last 10 years been reduced significantly. At the same time, the depletion rate for the existing fields has reached unprecedented levels. The result is simply that more reserves have to be discovered to meet future energy demand. This is a serious challenge and in order to bridge this gap more drilling will be needed. The huge finds made offshore Brazil is the confirmation that the discoveries that will make a difference to reserve replacement rates to a large extent are made in deep and ultra-deep waters. This is providing an encouraging match with Seadrill's investments and rig fleet. In spite of the recent dramatic drop in oil and gas prices, prices are still at favorable levels. The larger oil companies have also stronger balance sheets than ever. Together with ambitious national oil companies that have grown rapidly since the millennium, this will form a strong basis for demand for deepwater offshore drilling units.

Any reductions in capital expenditures from the oil companies as a function of the drop in oil and gas prices is likely to reduce the future available oil production and tighten the forward supply demand balance. While such a development will influence the drilling companies adversely short term, it might, combined with reduced investments create a better long-term situation for the offshore drillers. Seadrill is with an order backlog of US\$12.7 billion and an average contract length of the deepwater fleet of some four years, well positioned to meet and benefit from this situation. The Board currently observes that Seadrill's equity and debt papers in general trade at a huge discount to underlying asset pricing. This limits Seadrill's current interest in further organic growth, but could at the same time create interesting opportunities for accretive buy-backs, acquisitions and further consolidation.

The focus in the next quarters will be to achieve maximum utilization under the existing drilling contracts. Further focus will be on making sure that the Company's operating costs reflect Seadrill's position as a leading drilling contractor. The stronger US dollar and the deteriorating global economy ease the cost pressure in the industry and contribute positively to an improved margin on the existing contracts.

Seadrill is entering a new era where the operational cash flow is expected to significantly exceed the Company's capital expenditure program. Three deepwater units have already commenced operations this year and one drillship will commence operation next month. Furthermore, several of the existing units will commence new contracts at higher dayrates than in previous quarters. The result for the first quarter 2009 is likely to confirm Seadrill's strong growth in operating earnings. However, the jack-up fleet will continue to suffer from significant downtime, which may continue for several quarters due to idle and stacked rigs. Furthermore, the first quarter 2009 results will be impacted by downtime for the deepwater semi-submersible rig West Sirius of in total 40 days as a consequence of BOP repairs and a planned change-out of the top-drive.

The Board wants to honor the administration and staff for completing the most challenging newbuilding program ever carried out in the offshore field in a very professional way. The Board expects that the operation of the rigs will show similar high standards in safety, cost efficiency and regularity. The Board is particularly pleased to see the solid operational performance of the Company's current North Sea assets as well as continued high performance in the tender rig division.

The Board is very confident in its outlook for the Company's operation and expects a strong increase in earnings over the next quarters.

**Board** [website/Company Facts on February 13<sup>th</sup>, 2009]

John Fredriksen	President, Director and Chairman
Tor Olav Trøim	Vice-President and director
Kate Blankenship	Director
Jan Tore Strømme	Director
Kjell E Jacobsen	Director
Kathrine Fredriksen	Director

**Executive Management** [website/ Company Facts on February 13<sup>th</sup>, 2009]

Alf C Thorkildsen	CEO and President
Trond Brandsrud	CFO and Senior Vice President
Per Wullf	COO and Senior Vice President
Ståle Rød	Executive Vice President Tender Rigs

Tim Juran	Executive Vice President International Deepwater
Sveinung Lofthus	Senior Vice President Europe
Ian Shearer	Senior Vice President Australasia Jack-ups
Pål Sørli	Senior Vice President Marketing
Hilde Waaler	Vice President Communications and Public Affairs

## The Share

Seadrill Limited's shares are listed on the regulated market of Oslo Stock Exchange since November 22<sup>nd</sup> 2005. [info from Oslo Stock Exchange in February 2009]

The shares all have the same rights and privileges. [annual report 2007, page F-44].

As of year-end 2008, issued shares in Seadrill Limited totaled 399,133,216. The Company currently holds 717,800 own treasury shares, which were at the same level as at end of the third quarter. The Company had 6,092,800 options outstanding under the management share incentive program out of which 1,736,433 are vested and exercisable. The current stock price is below the lowest strike price for the majority of the options.

For the fourth quarter 2008, the weighted average number of shares outstanding was 398,415,416 as compared to 398,127,978, 398,185,808 and 398,301,208, in the first, second and third quarter 2008, respectively. The average number of outstanding shares for the year was 398,247,603. [Fourth quarter and preliminary 2008 results, page 3]

## Largest shareholders [website/Investor Relations/Share on February 4<sup>th</sup>, 2009]

Shareholders	No. Shares	Ownership (%)
Hemen Holding Limited	123 697 583	30.99
Folketrygdfondet	20 282 830	5.08
Bank of New York BR S/A MSF-Mutual Disco	10 795 821	2.70
Brown Brothers S/A Union Bancaire	8 500 000	2.13
JP Morgan Chase Bank Treaty Account	7 898 612	1.98
DnB NOR Bank ASA Egenhandelskonto	7 871 451	1.97
State Street Bank & Client Omnibus D	7 463 885	1.87
Clearstream Banking Cid Dept Frankfurt	6 705 131	1.68
ADP Services, Custody C/O JPMorgan Chase B	6 257 351	1.57
Nordea Bank Sweden	5 001 750	1.25
State Street Bank & A/C Client Fund	4 709 074	1.18
Bank of New York Mel S/A Mellon Nominee	4 657 679	1.17
Skagen Kon-Tiki	4 500 000	1.13
Morgan Stanley & Co. Client Equity Account	4 391 638	1.10
Bank of New York, MSF-Mutual	4 055 672	1.02
Credit Suisse Security Special Custody	3 845 388	0.96
Bank of New York BR S/A Alpine	3 480 500	0.87
Investors Bank & Trust A/C West Treaty Acc	3 088 025	0.77
JP Morgan Chase Bank Omnibus	2 761 409	0.69
Citibank N.A. A/C Vanguard Energy	2 714 040	0.68

Percent of total no. of shares

60.79

**Information on the financial figures** [annual report 2007, page F-2 & Fourth Quarter and preliminary 2008 Results, page 12]

The revenue for Seadrill Limited in 2008 was 2 185,9 MUSD. [Fourth Quarter and preliminary 2008 Results, page 12]

Consolidated Statement of Operations for the years ended December 31, in millions of US dollars.

<b>Extract - Income Statement (MUSD)</b>	<b>2006</b>	<b>2007</b>	<b>2008*</b>
Revenue	1 154,6	1 676,3	2 185,9
Operating profit (income)	226,1	488,8	648,7
Net Profit/Loss	214,1	502,0	-197,1

<b>Extract - Balance Sheet (MUSD)</b>	<b>2006</b>	<b>2007</b>	<b>2008*</b>
Non-current Assets	756,6	1 696,9	1 663,8
Current Assets	5 986,1	7 596,2	10 640,7
Equity	2 715,0	3 623,2	2 684,4
Balance sheet Total	6 742,7	9 293,1	12 304,5

\*)Note: 2008 is based on unaudited amounts in the 2008 Q4 report

For further information please refer to the Company's public financial reports.

On February 12<sup>th</sup> 2009, Seadrill extended the total return swap agreement with 4,500,000 shares in Seadrill Limited as underlying security with DnB NOR Markets. [website/NEWS/News Releases]

The accounting principles of the key figures [annual report 2007, page F-10]

The financial statements are prepared on a historical cost basis, except that the following assets and liabilities were assessed at their fair value at the acquisition date. The step-up acquisition of Eastern Drilling ASA in 2007, the acquisition of Smedvig ASA, Mosvold Drilling ltd and Eastern Drilling ASA in 2006 as well as Seadrill Invest in 2005 have been accounted for as purchases in accordance with Statement of Financial Accounting Standards No. 141 "Business Combinations". The fair value of the assets acquired and liabilities assumed were included in the Company's consolidated financial statements beginning on the date when control was achieved. Derivative financial instruments, financial instruments that are held for trading or classified as available-for-sale and other investments in entities owned less than 20 percent where the Company does not exercise significant influence, are recognized at fair value if fair value is readily determinable.

The financial statements are presented in accordance with generally accepted accounting principles in the United States (US GAAP). The amounts are presented in United States dollar rounded to the nearest hundred thousand, unless otherwise stated.

Non-current assets and disposal groups held for sale are stated at the lower of their carrying amount or fair value less costs of sale.

## **Risks**

[annual report 2007, page F-52]

The Company has operations and assets in a number of countries worldwide. Consequently, the Company's results from operations are affected by fluctuations in currency exchange rates, primarily relative to the US dollar. When the US dollar appreciates against other currencies, the Company's profit from operations in foreign currencies reported in US dollar may decrease. Likewise, when the US dollar depreciates against other currencies, the Company's profit from

operations in foreign currencies reported in US dollar may increase. The Company is also exposed to changes in interest rates on debt with variable interest rates and to the impact of changes in currency exchange rates on NOK denominated debt. Different financial instruments are used by the Company to manage these foreign currency and interest rate risks as summarized below.

In determining fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risk existing at each balance sheet date. For the majority of the financial instruments including most derivatives and long-term debt, standard market conventions and techniques such as options pricing models are used to determine fair value. All methods of assessing fair value result in a general approximation of value, and such value may never actually be realized.

[Third Quarter Results 2008, page 10]

These statements are based on various assumptions, many of which are based, in turn, upon further assumptions, including Seadrill management's examination of historical operating trends.

Including among others, factors that, in the Company's view, could cause actual results to differ materially from the forward looking statements contained in this press release are the following: the competitive nature of the offshore drilling industry, oil and gas prices, technological developments, government regulations, changes in economical conditions or political events, inability of the Company to obtain financing for the newbuildings on favorable terms, changes of the spending plan of our customers, changes in the Company's operating expenses including crew wages, insurance, dry-docking, repairs and maintenance, failure of shipyards to comply with delivery schedules on a timely basis and other important factors mentioned from time to time in our reports filed with the Oslo Stock Exchange.

### **Liquidity**

It is not sure whether there at all times will be a high liquidity for the Company on NASDAQ OMX Stockholm's regulated market. The market price of the Company may fluctuate significantly depending on different factors. The market price of the Company's shares may fluctuate significantly which does not necessarily depend on the Company success of its business operations or future forecasts. Lack of liquidity may partly depend on the fact that the market prices of securities may fluctuate more on NASDAQ OMX Stockholm in this case than on those exchanges where these securities are traded more actively. NASDAQ OMX Stockholm has the ambition to have several Liquidity Providers to mitigate this risk.

### **Exchange rate**

The Company share's exchange rate on Oslo Stock Exchange is NOK. The trading on NASDAQ OMX Stockholm will take place in NOK.

### **The Company's information obligation**

The Company has no information obligation regarding the current admission to trading of the shares at NASDAQ OMX Stockholm, neither based on the Swedish Securities Markets Act nor on NASDAQ OMX Stockholm's rules. However, by being listed on Oslo Stock Exchange's regulated market, the Company complies with the Norwegian legislation on information obligation and its home exchange's disclosure rules. The Company has no obligation to disclose price sensitive information in Swedish language but the Company normally uses Norwegian and English language with regard to its disclosure practices. The Company's press releases and financial reports are generally available in Norwegian and English language. By having Norway as home member state, Company is under obligation to meet Norwegian requirements on

publication and storage of information in Norway's national information database for issuers (OAM) which is handled by Oslo Stock Exchange [www.newsweb.no](http://www.newsweb.no).

**The availability of information on the Company**

The Company's website in English and Norwegian: [www.seadrill.com](http://www.seadrill.com)

Norwegian national storage regarding all price sensitive information published by companies whose shares are admitted to trading on a regulated market in Norway: [www.newsweb.no](http://www.newsweb.no)

**The availability of this summary**

This summary is supplied by NASDAQ OMX on [www.nasdaqomxtrader.com](http://www.nasdaqomxtrader.com).

**Information obtained from the External information sources and declaration on this summary**

The information on the Company originates from financial reports, press releases on financial accounts published by the Company as well as from the Company's investor web page.

OMX Treasury AB has issued this summary which is based on information published by the Company. In accordance with the Swedish Financial Instruments Trading Act, chapter 2, section 15, OMX Treasury AB declares that it has accurately ensured, to such extent as appropriate, that the information in this summary is repeated appropriately and that no facts are omitted from the information in the summary that could result in that the repeated information in this summary would be misleading or inaccurate.

According to the Swedish Financial Instruments Trading Act, chapter 2, section 14, sub-section 3, please note that any investor who commences judicial proceedings as a result of information in this summary may be compelled to pay for a translation of the document.