



## **OCEAN RIG UDW INC. ANNOUNCES \$1.8 BILLION OF SENIOR SECURED TERM LOANS AND FULL REPAYMENT OF CERTAIN CREDIT FACILITIES**

Nicosia, Cyprus – July 15, 2013 – Ocean Rig UDW Inc. (NASDAQ: ORIG) (the “Company” or “Ocean Rig”), a global provider of offshore deepwater drilling services, today announced that its wholly-owned subsidiaries, Drillships Financing Holding Inc. (“DFHI”) and Drillships Projects Inc., entered into a \$1.8 billion senior secured term loan facility, comprised of tranche B-1 term loans in an aggregate principal amount equal to \$975.0 million (“Tranche B-1 Term Loans”) and tranche B-2 term loans in an aggregate principal amount equal to \$825.0 million (“Tranche B-2 Term Loans” and, together with the Tranche B-1 Term Loans, the “Term Loans”), with respective maturity dates in the first quarter of 2021, subject to adjustment to the third quarter of 2020 in certain circumstances, and the third quarter of 2016.

The Tranche B-1 Term Loans were issued at 98% of face value and the Tranche B-2 Term Loans were issued at 99% of face value. The Term Loans will bear interest, in the case of the Tranche B-1 Term Loans, at 4.00% per annum for Base Rate Loans and 5.00% per annum for Eurodollar Rate Loans, with a LIBOR floor of 1.00% per annum, and in the case of the Tranche B-2 Term Loans, at 3.50% per annum for Base Rate Loans and 4.50% per annum for Eurodollar Rate Loans, with a LIBOR floor of 1.00% per annum. The Term Loans will amortize in equal quarterly instalments in aggregate annual amounts equal to 1.00% of the original principal amount of the Term Loans, with the balance payable at maturity. Under the new term loan facility agreement, the Company has the ability, subject to certain conditions, to increase the size of the Term Loans up to an additional \$100.0 million to a total facility size of \$1.9 billion.

The Term Loans are initially guaranteed by Ocean Rig and certain existing and future subsidiaries of DFHI and are secured by certain assets of, and by a pledge of the stock of, DFHI and the subsidiary guarantors.

The net proceeds of the Term Loans were used to fully repay amounts outstanding under the Company’s \$800.0 million secured term loan agreement and two \$495.0 million senior secured credit facilities, amounting to approximately \$1.6 billion in the aggregate. The balance of the net proceeds will be used to finance offshore drilling rigs and for the payment of fees and expenses associated therewith.

### **About Ocean Rig**

Ocean Rig is an international offshore drilling contractor providing oilfield services for offshore oil and gas exploration, development and production drilling, and specializing in the ultra deepwater and harsh environment segment of the offshore drilling industry. The Company owns and operates 10 offshore ultra deepwater drilling units, comprising of 2 ultra deepwater semisubmersible drilling rigs and 8 ultra deepwater drillships, three of which are scheduled to be delivered to the Company during 2013 and one of which is scheduled to be delivered during 2015.

Ocean Rig’s common stock is listed on the NASDAQ Global Select Market where it trades under the symbol “ORIG.”

Visit the Company's website at [www.ocean-rig.com](http://www.ocean-rig.com).

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**Forward-Looking Statements**

Forward-looking statements reflect our current views with respect to future events and financial performance and may include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words "believe," "intend," "anticipate," "estimate," "project," "forecast," "plan," "potential," "may," "should," "expect" and similar expressions identify forward-looking statements.

The forward-looking statements in this release 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 our records and other data available from third parties. Although we believe 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 our control, we cannot assure you that it will achieve or accomplish these expectations, beliefs or projections.

Important factors that, in our view, could cause actual results to differ materially from those discussed in the forward-looking statements include (i) factors related to the offshore drilling market, including supply and demand, utilization, day rates and customer drilling programs; (ii) hazards inherent in the drilling industry and marine operations causing personal injury or loss of life, severe damage to destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations; (iii) changes in laws and governmental regulations, particularly with respect to environmental matters; (iv) the availability of competing offshore drilling vessels; (v) 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; (vi) the performance of our rigs; (vii) our ability to procure or have access to financing and comply with our loan covenants; (viii) our ability to successfully employ our drilling units; (ix) our capital expenditures, including the timing and cost of completion of capital projects; and (x) our revenues and expenses. Due to such uncertainties and risks, investors are cautioned not to place undue reliance upon such forward-looking statements.