

OCEAN RIG



## **OCEAN RIG ANNOUNCES SIGNING OF LOAN AGREEMENT WITH DRYSHIPS**

ATHENS, GREECE — November 18, 2014 – Ocean Rig UDW Inc. (NASDAQ:ORIG) (the "Company" or "Ocean Rig"), a global provider of off-shore contract drilling oil services, today announced the following:

- On November 18, 2014, Ocean Rig's \$120 million loan to its majority shareholder, DryShips Inc. ("DryShips"), was approved by a special committee of Ocean Rig's Board of Directors which received a fairness opinion from Global Hunter Securities, a division of Seaport Global Securities LLC, and the loan agreement was executed by both companies. This loan is for a period of 18 months, is unsecured and bears interest at LIBOR plus an average of approximately 10% for the first year and 12% for the following six months. Ocean Rig has the option to exchange the loan for Ocean Rig common shares owned by DryShips at a fixed price of \$13.50 per share, provided the DryShips ABN AMRO \$200 million secured bridge loan facility has been repaid in full. If such exchange occurs, the margin of the Ocean Rig \$120 million loan to DryShips will be reduced from inception to LIBOR plus an average of approximately 6.6% for the first year and 8.25% for the following six months.
- On November 18, 2014, as required by the DryShips ABN AMRO facility, Ocean Rig filed a prospectus supplement covering up to 78,301,755 of its common shares held by DryShips or its pledgees. Of the shares that have been registered, an estimated 44,000,000 Ocean Rig shares will initially be pledged by DryShips to ABN AMRO under the terms of the DryShips ABN AMRO facility which requires three times collateral coverage based on the prevailing 30-day VWAP at draw down.

### **About Ocean Rig UDW Inc.**

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 13 offshore ultra deepwater drilling units, comprising of 2 ultra deepwater semisubmersible drilling rigs and 11 ultra deepwater drillships, 1 of which is scheduled to be delivered to the Company during 2015, 1 of which is scheduled to be delivered to the Company during 2016 and 2 of which are scheduled to be delivered during 2017.

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)

## **Forward-Looking Statement**

Matters discussed in this release 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 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 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 (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 or 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.

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.

**Investor Relations / Media:**

Nicolas Bornozis  
Capital Link, Inc. (New York)  
Tel. 212-661-7566  
E-mail: [oceanrig@capitallink.com](mailto:oceanrig@capitallink.com)