

OCEAN RIG



OCEAN RIG UDW INC. ANNOUNCES SIGNING OF RESTRUCTURING OF \$1.1 BILLION FACILITY AND EXERCISE OF 2 OPTIONS TO CONSTRUCT UDW DRILLSHIPS

Nicosia, Cyprus – April 29, 2011 - Ocean Rig UDW Inc. (“Ocean Rig”), a global provider of offshore deepwater drilling services announced the signing of the previously announced restructuring of its \$1.1 billion Secured Term Loan Facility led by Deutsche Bank. The main terms of the restructuring are as follows:

- The maximum amount permitted to be drawn is reduced from \$562.5 million to \$495 million under each facility
- In addition to the Dryships Guarantee, Ocean Rig UDW Inc., will provide an unlimited recourse guarantee and will be subject to certain financial covenants that will apply quarterly
- Full draw downs (up to a total of \$495 million) will be permitted for the Ocean Rig Poseidon based upon the employment of the drillship under its drilling contract with Petrobras, and cash collateral deposited for this vessel will be released
- For the Ocean Rig Mykonos, the Company will have up to one month prior to delivery (scheduled for September 2011) to execute an acceptable drilling contract in order to draw down the loan

The Company exercised two newbuilding options to construct Ultra Deepwater Drillships at Samsung Heavy Industries. Earlier deliveries than previously scheduled were secured for July and October 2013. The specification of both the drillships has been further upgraded to 7th generation from the already high specification of the existing series of four, including:

- o capability to drill in 12,000 feet of water depth
- o a seven ram BOP
- o a dual mud system
- o enhanced riser handling and storage system
- o ballast water treatment system.

George Economou, Chairman and CEO commented:

“Today marks the start of a new phase for Ocean Rig UDW. For the last two years we have been working towards this landmark where the original newbuilding program is now fully funded from the proceeds of the Nordea loan and the restructured facility for the Ocean Rig Poseidon. In addition we have successfully concluded a \$500 million unsecured bond and still have the Ocean Rig Mykonos facility that can be drawn subject to a suitable charter. The demand for ultra deepwater drilling services is strong and we see substantial growth in the near term from across the globe. We are confident of substantially increasing our backlog in the near future. To service this growing demand we have exercised the first two of the newbuilding options we had secured in November last year. The significantly enhanced specification and early delivery positions should prove to be attractive to our customers.

Ocean Rig is positioned as the largest single pure play in the ultra deepwater drilling space and continues to deliver on its strategy to build a credible and competitive pure play in this space. We are working towards listing the Company on an international exchange and expect to have this done in the next couple of months.”