Constellation Oil Services Holding S.A. Reports Amended and Restated Fourth Quarter and Full-Year 2017 Results

Luxembourg, January 2, 2019 – Constellation Oil Services Holding S.A. (“Constellation” or the “Company”), formerly named QGOG Constellation S.A., a market leading provider of offshore and onshore oil and gas contract drilling and FPSO services in Brazil, today reported amended and restated results for the fourth quarter and full year 2017.

FOURTH QUARTER HIGHLIGHTS

- Net operating revenue decreased 15.3% year-over-year to US$ 219.9 million in 4Q17;
- Revenues from ultra-deepwater (UDW) units represented 88.4% of total net revenues in 4Q17, up from 83.8% in 4Q16;
- The Company recognized US$ 1,400.5 million of non-cash impairment charges mainly related to Alpha Star, Gold Star, Lone Star, Olinda Star, Amaralina Star, Laguna Star and Brava Star. In addition, the Company recorded a non-cash loss of US$ 36.0 million due to an onerous contract provision related to the contract between Olinda Star and ONGC;
- Adjusted EBITDA totaled US$ 143.0 million and the adjusted EBITDA margin was 65.0% in 4Q17, excluding the before mentioned non-cash losses. The result compares with adjusted EBITDA of US$ 181.3 million and an adjusted EBITDA margin of 69.8%, respectively, in 4Q16;
- Net loss during the period was US$ 1,380.9 million, down from a net income of US$ 76.5 million in the prior year period;
- Average uptime for the offshore fleet was broadly stable at 95% in 4Q17, compared with 97% in 4Q16.

2017 RESULTS

- Net operating revenue decreased 15.5% year-over-year to US$ 945.8 million in 2017;
- Revenues from UDW units represented 87.8% of total net revenues in 2017, up from 80.6% in 2016;
- In 2017, the Company recognized US$ 1,400.5 million of non-cash impairment charges mainly related to the seven-abovementioned offshore units. In addition, the Company recorded a non-cash loss of US$ 36.0 million due to an onerous contract provision related to the contract between Olinda Star and ONGC;
- Adjusted EBITDA totaled US$ 634.8 million and the adjusted EBITDA margin was 67.1%, excluding the before mentioned non-cash losses. The result compares with

adjusted EBITDA of US$ 805.5 million and an adjusted EBITDA margin of 71.9%, respectively, in 2016;
- Net loss during the period was US$ 1,148.7 million. Excluding non-cash losses reported in 2016 and 2017, net income would have totaled US$ 287.8 million in 2017, down 34.6% year-over-year;
- The total backlog as of December 31, 2017 was US$ 2.1 billion, of which US$ 629 million relates to the Company's operational offshore drilling fleet;
- Average uptime for the UDW fleet was broadly stable year-over-year at 91% in 2017, compared with 95% in 2016.

RECENT DEVELOPMENTS

- In October 2017, the Company signed an agreement to charter and render onshore drilling services for Zeus ÖL S.A. ("Zeus ÖL"), a Paraguayan company based in Asunción. The agreement was for the drilling of up to two wells in Paraguay using the onshore drilling rig QG-I. The operation commenced on December 28, 2017, and the contract expired on July 13, 2018.

- In January 2018, the Company signed an agreement to charter and render onshore drilling services for Ouro Preto Óleo e Gás S.A. ("Ouro Preto Óleo e Gás"). The agreement was for the drilling of two wells in Parnaíba Basin (Brazil), using the onshore drilling rig QG-II. The operation started on August 1, 2018, and the contract expired on October 23, 2018.

- In mid-January 2018, the Olinda Star rig began operations in the Krishna-Godavari Basin, located offshore of India, commencing its three-year contract with Oil and Natural Gas Corporation Ltd. ("ONGC") - India's largest oil and gas exploration and production company.

- On February 12, 2018, Gold Star's offshore drilling charter and services agreements with Petróleo Brasileiro S.A. ("Petrobras") expired.

- On March 31, 2018, Lone Star's offshore drilling charter and services agreements with Petrobras expired.

- In accordance with the terms and conditions of Brava Star and Amaralina Star financings, the contingent parent guarantees issued by Constellation became effective in February and March 2018 respectively. The contingent guarantees were required to become effective not less than six months prior to the expiration date of the respective charter and services agreements, in case it had not been duly renewed on terms acceptable to the lenders.

- On April 6, 2018, in accordance with the terms and conditions of the 2024 notes, Alpha Star Equities Ltd. became a subsidiary guarantor under the notes' indenture and the associated collateral was granted in favor of the trustee for the benefit of the noteholders.

- On July 30, 2018, the Company fully repaid and discharged QGOG Atlantic/Alaskan Rigs 5.25% Senior Secured Notes in the total outstanding amount of US$ 58.1 million.

- On August 1, 2018, the Company announced that its ultra-deepwater drillship Brava Star was awarded a contract with Shell Brasil Petróleo Ltda. ("Shell Brasil") for a campaign of four firm wells plus options for up to an additional 810 days. The operations will be performed offshore of Brazil, at the BC-10, Sul de Gato do Mato and Alto de Cabo Frio Oeste fields. Operations under the contract are expected to commence by early 2019. On August 16, 2018, the Brava Star offshore drilling charter and service rendering agreements with Petrobras expired.

- On August 7, 2018, the Company's indirect subsidiary, Constellation Overseas Ltd. ("Constellation Overseas"), filed a request for arbitration against Alperton Capital Ltd. ("Alperton") under the parties' Shareholders' Agreements for Amaralina Star Ltd. and Laguna Star Ltd. The dispute arises out of the existence of a deadlock under the Shareholders' Agreements and involves Alperton's obligation to sell its shares in each of the respective rig-owning companies. (Note 28 in the Amended and Restated December 31, 2017 Financial Statements).

- On September 17, 2018, the Company announced that its ultra-deepwater drillship Laguna Star was awarded a contract with Queiroz Galvão Exploração e Produção S.A. ("QGEP"), for a campaign of one firm well up to 90 days, and two additional options for well interventions of 45 days each. The operations will be performed offshore of Brazil, at the Atlanta field. The contract was signed in early September 2018, and operations under the contract are expected to commence by early 2019. On November 18, 2018, the Laguna Star offshore drilling charter and service rendering agreements with Petrobras expired.

- On September 17, 2018, the Amaralina Star offshore drilling charter and service rendering agreements with Petrobras expired.

- In November 2018, Transocean Offshore Deepwater Drilling Inc. and Transocean Brasil Ltda. (hereinafter together referred to as "Transocean") filed a claim against Serviços de Petróleo Constellation and Brava Star Ltd., accusing both entities of infringing Transocean's dual-activity drilling technology patent. On November 19, 2018, a judicial decision rejected all preliminary injunctions requested by Transocean and a mediation and conciliation hearing is scheduled to February 4, 2019. (Note 28 in the Amended and Restated December 31, 2017 Financial Statements).

- On November 5, 2018, the Company announced that it changed its name to Constellation Oil Services Holding S.A.

- On November 9, 2018, the Company announced the intention to utilize the 30-day grace period and deferred payment of an approximate US$ 27.0 million cash interest payment on its 9.5% Senior Notes due 2024 (the "2024 Notes") and an approximate US$ 3.0 million cash interest payment on its 6.25% Senior Notes due 2019 (the "2019 Notes"), both of which were due on November 9, 2018. The Company made the strategic decision to use the 30-day grace period to advance the ongoing discussions with certain of its key lenders and a group of noteholders holding a material amount of the 2024 Notes, related to a comprehensive re-profiling of its capital structure to match its operating business and the industry's current economic environment. The Company made the payment of the PIK portion of the interest on the 2024 Notes due on November 9, 2018.

- On November 30, 2018, the Company announced that the Company's indirect subsidiary, Constellation Overseas, entered into an extension of its US$ 150.0 million working capital credit lines with Banco Bradesco S.A. (the "Bradesco Facilities"). Other than the extended maturity date, all other material terms of the Bradesco Facilities were unchanged. Additionally, the Company announced that the Company's indirect subsidiaries, Amaralina Star Ltd. and Laguna Star Ltd., entered into an amendment to extend the maturity date of the Amaralina Star Bank Tranche Loans and the Laguna Star Bank Tranche Loans, respectively, under the Amaralina Star and Laguna Star drillships project financings (the "Amaralina Star/Laguna Star Facilities"). Other than the extended maturity date, all other material terms of the Amaralina Star/ Laguna Star Facilities were unchanged.

- On December 6, 2018, the Company initiated a judicial recovery ("*recuperação judicial*") proceeding in Brazil to implement a pre-negotiated restructuring of the Company's debt, which proceeding was accepted by the Brazilian court on the same date. (Note 28 in the Amended and Restated December 31, 2017 Financial Statements).

- On December 14, 2018, the offshore drilling rig Olinda Star, which is operating on the east coast of India, was evacuated for safety reasons due to the proximity of a tropical storm and a list by stern was observed. The Olinda Star operating team is safe ashore. As of the date of the Amended and Restated December 31, 2017 Financial Statements issuance, the Company's Management was not able to estimate potential impacts, if any, following this subsequent event in the 2018 operations.

MANAGEMENT COMMENTARY

Against a challenging industry and macroeconomic backdrop, we are pleased to report another year of consistent results, marked by continued headway in reducing costs and optimizing capital expenditures during 2017, while upholding superior safety standards. We are also making solid progress in attracting a more diversified global client base.

During the year, the company achieved important milestones that strengthened our capital structure and enhanced our operations. The conclusion of the exchange offer, with the participation by a substantial proportion of bondholders, provides the company with flexibility to navigate industry headwinds and helps facilitate the refinancing of outstanding debt. Strong participation by bondholders underscores the support of our creditors. On the commercial front, we achieved an important milestone of internationalizing our operations with the three-year contract award of the Olinda Star with ONGC for operations in India. We are actively participating in numerous competitive tender processes both in Brazil and elsewhere around the world.

While we are seeing signs of improvement in the offshore drilling industry, rates are expected to remain under pressure throughout the year. We will continue to look for opportunities to further streamline our expenses while building upon opportunities to improve our operations. We remain committed to the core principles upon which our company was built; dedicated and skilled employees, unwavering operational standards, cost control and sound financial discipline. These differentiators have consistently driven our growth and progress through the years.

FOURTH QUARTER AND FULL YEAR 2017 RESULTS

Net operating revenue decreased 15.3%, or US$ 39.9 million, year-over-year to US$ 219.9 million in 4Q17, primarily due to the expiration of the Alaskan Star and Alpha Star contract in November/16 and July/17, respectively, in addition to lower operating performance of our UDW fleet.

In 2017, net operating revenue decreased 15.5%, or US$ 173.9 million, to US$ 945.8 million when compared to 2016. The result primarily reflects the same factors that contributed to 4Q17 results.

Average uptime for the UDW fleet was slightly lower year-over-year at 93% in 4Q17, compared with 95% in 4Q16. Average uptime of the midwater rigs was stable at 97% in 4Q17 compared with 98% in the fourth quarter of 2016.

The Company's offshore utilization decreased to 540 days in 4Q17 from 674 days in 4Q16. The reduction was due to the Alaskan Star's and Alpha Star's contract expirations.

Contract drilling expenses (operating costs excluding depreciation) increased 6.9%, or US$ 5.0 million, to US$ 77.2 million in 4Q17. The increase in operating costs was mostly due to a US$ 3.4 million increase in materials to prepare the drilling rig for the contract with ONGC.

In 2017, contract drilling expenses (operating costs excluding depreciation) was slightly lower year-over-year at US$ 303.3 million, compared with US$ 305.2 million in 2016.

General and administrative expenses decreased US$ 7.8 million year-over-year to US$ 3.9 million in 4Q17 versus 4Q16, reflecting ongoing expense reduction efforts and the reversal of certain provision.

In 2017, general and administrative expenses decreased 37.8%, or US$ 16.7 million, to US$ 27.5 million. The decrease in general and administrative expenses was mostly due to a US$ 9.0 million reduction in payroll, charges and benefits.

During 4Q17, the Company recognized US$ 1,400.5 million in non-cash impairment charges mainly related to: (a) the deepwater rig Olinda Star; and (b) the six ultra-deepwater units Alpha Star, Gold Star, Lone Star, Amaralina Star, Laguna Star, and Brava Star. In addition, the Company recorded a non-cash loss of US$ 36.0 million due to an onerous contract provision related to the contract between Olinda Star and ONGC, recognized as "Other Expenses" (Note 21 in the Amended and Restated December 31, 2017 Financial Statements).

The impairment loss for the offshore drilling units was determined based on estimated future cash flows (see Notes 3.8 and 4.5 in the Amended and Restated December 31, 2017 Financial Statements).

Adjusted EBITDA decreased to US$ 143.0 million and the adjusted EBITDA margin reduced to 65.0% in 4Q17 from US$ 181.3 million and 69.8%, respectively, in 4Q16. The reduction in 4Q17 adjusted EBITDA was mainly due to the lower utilization of the offshore fleet following the end of the Alaskan Star and Alpha Star contracts, combined with lower operating performance for our UDW fleet.

In 2017, adjusted EBITDA was US$ 634.8 million and the adjusted EBITDA margin was 67.1%, compared with US$ 805.5 million and 71.9%, respectively, in 2016. The decrease in 2017 adjusted EBITDA was mainly explained by the same factors that contributed to 4Q17 results, in addition to the lower utilization for the onshore fleet.

Net financial expenses increased 6.2% year-over-year, or US$ 1.7 million, to US$ 28.9 million in 4Q17, primarily due to an increase in financial expenses on loans and financings reflecting the new bond issued in the 2H17.

Net financial expenses were stable amounting to US$ 117.2 million in 2017 (US$ 118.7 million in 2016). The higher financial expenses from the new Bond were offset by lower year-over-year debt outstanding.

Net loss was US$ 1,380.9 million in 4Q17. Excluding non-cash losses registered in 4Q17 and 4Q16, net income would have totaled US$ 55.6 million in 4Q17, compared with US$ 97.3 million in 4Q16.

In 2017, net loss was US$ 1,148.7 million, compared with a net income of US$ 159.6 million in 2016. Excluding non-cash losses registered in both periods, the Company would have reported a net income of US$ 287.8 million in 2017 and US$ 440.3 million in 2016, respectively, which represent a 34.6% year-over-year decrease.

CASH FLOW & BALANCE SHEET HIGHLIGHTS

Adjusted cash flow provided by operating activities, which excludes the impact of decreased short-term investments, totaled US$ 131.7 million during 4Q17, compared to US$ 179.3 million in 4Q16. The reduction is mainly due to lower EBITDA.

Net cash used in investing activities (acquisition of property, plant and equipment) totaled US$ 71.0 million in 4Q17, compared to US$ 71.9 million in 4Q16. The increase was mainly due to the conclusion of the 5-year survey of Amaralina Star in November/17 and the Laguna Star preparation for the 5-year survey which is expected to commence during the first quarter of 2018.

Total cash (which includes cash and cash equivalents, short-term investments and restricted cash) decreased to US$ 268.8 million as of December 31, 2017, compared to US$ 277.8 million as of September 30, 2017. This reduction mainly reflects the amortization of debt during the period. Available cash, free of liens, was US$ 157.3 million at the end of the fourth quarter.

Total debt decreased US$ 77.0 million to US$ 1.7 billion as of December 31, 2017, compared to September 30, 2017, reflecting the amortization of debt in the fourth quarter of 2017.

Net debt decreased US$ 68.1 million to US$ 1.4 billion as of December 31, 2017, compared to September 30, 2017, mainly reflecting cash generation in the period.

ABOUT CONSTELLATION OIL SERVICES HOLDING S.A.

Constellation is a market leading provider of offshore and onshore oil and gas contract drilling and FPSO services in Brazil through its subsidiary Serviços de Petróleo Constellation S.A. ("Serviços de Petróleo Constellation"). With continuous operations since 1981, Serviços de Petróleo Constellation has built an unmatched reputation for excellence in offshore and onshore drilling services, obtaining ISO 9001, ISO 14001, OHSAS 18001 and API Spec Q2 certifications for its quality management, environmental and safety records and systems.

FORWARD LOOKING STATEMENTS

Matters discussed in this release may constitute forward-looking statements. Forward-looking statements relate to Constellation'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 Constellation'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 Constellation's records and other data available from third parties. Although Constellation 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 Constellation's control, Constellation 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 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 and day rates; (ii) hazards inherent in the drilling industry 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 or tax matters; (iv) the availability of competing offshore drilling rigs; (v) the performance of our rigs; (vi) our ability to procure or have access to financing and comply with our loan covenants; (vii) our ability to successfully employ our drilling rigs; (viii) our capital expenditures, including the timing and cost of completion of capital projects; and (ix) our revenues and expenses. Due to such uncertainties and risks, investors are cautioned not to place undue reliance upon such forward-looking statements.

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Constellation– Financial and Operating Highlights

	For the three–month period ended December 31,		For the year ended December 31,	
	2017	2016	2017	2016
Statement of Operations Data:	*(in millions of $, except per share data)*			
Net operating revenue	219.9	259.8	945.8	1,119.7
Operating Costs	(134.6)	(128.0)	(532.4)	(538.3)
Gross profit	85.3	131.8	413.3	581.4
General and administrative expenses	(3.9)	(11.6)	(27.5)	(44.2)
Other operating income (expenses), net	(1,439.7)	(20.3)	(1,439.7)	(249.7)
Operating profit	(1,356.2)	99.8	(1,053.9)	287.6
Financial expenses, net	(28.9)	(27.2)	(117.2)	(118.7)
Share of results of investments	5.1	4.8	22.3	3.4
Profit before taxes	(1,379.9)	77.5	(1,148.8)	172.2
Taxes	(0.9)	(0.9)	0.1	(12.6)
Profit for the period	(1,380.9)	76.5	(1,148.7)	159.6
Profit per share:				
Basic	(6.71)	0.39	(5.55)	0.73
Diluted	(6.71)	0.39	(5.55)	0.73
Weighted average common shares outstanding (thousands of common shares):				
Basic	189,227	189,227	189,227	189,227
Diluted	189,227	189,227	189,227	189,227

	For the three–month period ended December 31, (unaudited)		For the year ended December 31, (unaudited)	
	2017	2016	2017	2016
Other Financial Information:	*(in millions of $)*			
Profit for the period/year (net loss)	(1,380.9)	76.5	(1,148.7)	159.6
(+) Financial expenses, net	28.9	27.2	117.2	118.7
(+) Taxes	(0.9)	0.9	(0.1)	12.6
(+) Depreciation	57.6	55.9	229.9	233.8
EBITDA (1)	(1,293.5)	160.5	(801.7)	524.7
EBITDA margin (%) (2)	-588.2%	61.8%	-84.8%	46.9%
(+) Non cash adjustments (3)	1,436.5	20.8	1,436.5	280.7
Adjusted EBITDA (1)	143.0	181.3	634.8	805.5
Adjusted EBITDA margin (%) (2)	65.0%	69.8%	67.1%	71.9%

(1) EBITDA is a non-GAAP measure prepared by us and consists of: net income, plus net financial expenses taxes and depreciation. EBITDA is not a measure defined under IFRS, should not be considered in isolation, does not represent cash flow for the periods indicated and should not be regarded as an alternative to cash flow or net income, or as an indicator of operational performance or liquidity. EBITDA does not have a standardized meaning, and different companies may use different EBITDA definitions. Therefore, our definition of EBITDA may not be comparable to the definitions used by other companies. We use EBITDA to analyze our operational and financial performance, as well as a basis for administrative decisions. The use of EBITDA as an indicator of our profitability has limitations because it does not account for certain costs in connection with our business, such as net financial expenses, taxes, depreciation, capital expenses and other related expenses. Adjusted EBITDA is also a non-GAAP measure prepared by us and consists of: net income, plus net financial expenses taxes, depreciation and some specified non cash adjustments.

(2) EBITDA margin is a non-GAAP measure prepared by us. EBITDA margin is calculated by dividing EBITDA by net operating revenue for the applicable period. Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by net operating revenue for the applicable period.

(3) During 4Q17, the Company recognized US$ 1,400.5 million in non-cash impairment charges. The result is mainly related to: (a) the deepwater rig Olinda Star; and (b) the six ultra-deepwater units Alpha Star, Gold Star, Lone Star, Amaralina Star, Laguna Star, and Brava Star. In addition, the Company recorded a non-cash loss of US$ 36.0 million due to an onerous contract provision related to the contract between Olinda Star and ONGC, recognized as "Other Expenses" (Note 21 in the Amended and Restated December 31, 2017 Financial Statements). The impairment loss for the offshore drilling units was determined based on estimated future cash flows which assume certain dayrates, rig utilization and operating costs (see Notes 3.8 and 4.5 in the Amended and Restated December 31, 2017 Financial Statements). During 4Q16, the Company recognized US$ 20.8 million in non-cash impairment charges. The result reflected a US$ 19.2 million non-cash impairment on Alpha Star and a US$ 8.9 million non-cash impairment on Alaskan Star, which was partially offset by the reversal of a prior US$ 7.3 million impairment charge related to an onshore rig. In 3Q16, the Company recognized an impairment charges and inventory's write-off amounting to US$ 247.1 million. In 1Q16, the Company recognized a non-cash loss of US$ 12.8 million from asset impairments related to the share of results from its investments in the Sete Brasil project whose shareholders agreed to file for judicial recovery procedure on April 20.

	As of December 31,		
	2017	**2016**	**2015**
Statement of Financial Position:		*(in millions of $)*	
Cash and cash equivalents	216.3	293.2	154.8
Short-term investments	13.5	113.9	246.9
Restricted cash	39.0	43.2	21.7
Total assets	3,586.7	5,280.5	5,672.2
Total loans and financings	1,655.2	2,195.7	2,621.4
Total liabilities	2,197.9	2,752.3	3,223.8
Shareholders' equity	1,388.8	2,528.1	2,448.4
Net Debt	1,386.4	1,745.4	2,197.9

	For the year ended December 31,		
Statement of Cash Flows:	**2017**	**2016**	**2015**
		(in millions of $)	
Cash flows provided/used in operating activities:			
Profit for the period	(1,148.7)	159.6	316.9
Adjustments to reconcile net income to net cash used in operating activities	1,708.7	594.5	387.2
Net income after adjustments to reconcile net income to net cash used in operating activities	560.0	754.1	704.1
Decrease (increase) in working capital related to operating activities	106.6	136.8	(196.6)
Cash flows provided by operating activities	666.7	890.9	507.5
Cash flows used in investing activities	(71.0)	(71.9)	(483.8)
Cash flows provided by (used in) financing activities	(671.0)	(681.0)	(16.5)
Increase (decrease) in cash and cash equivalents	(75.2)	138.0	7.2

Non-GAAP Adjusted Cash Flows [1]:	For the year ended December 31, 2017	2016	2015
Cash flows provided/used in operating activities ..	666.7	890.9	507.5
Impact of short-term investments	100.4	136.2	(172.1)
Adjusted cash flows provided by operating activities...	566.3	754.7	679.6

(1) This is a non-GAAP adjusted measure prepared by the Company to adjust the impact of short-term investments as part of the cash flow provided by operating activities.

Fleet summary report

Offshore Rig	% Interest	Type	Water Depth (ft)	Delivery Date	Dayrate [3] ($/day) December 31, 2017	Customer	Contract Expiration Date
Ultra-deepwater							
Alpha Star [5]	100%	DP; SS	9,000	July 2011	-	-	-
Lone Star [7]	100%	DP; SS	7,900	April 2011	393,543	Petrobras	March 2018
Gold Star [6]	100%	DP; SS	9,000	February 2010	477,556	Petrobras	February 2018
Amaralina Star [1] [10]	55%	DP drillship	10,000	September 2012	422,360	Petrobras	September 2018
Laguna Star [1] [9]	55%	DP drillship	10,000	November 2012	422,360	Petrobras	November 2018
Brava Star [8]	100%	DP drillship	12,000	August 2015	565,170	Petrobras	August 2018
Deepwater							
Olinda Star [4]	100%	Moored; SS	3,600	August 2009 [2]	116,300	ONGC	January 2021
Midwater							
Atlantic Star [11]	100%	Moored; SS	2,000	February 2011 [2]	293,678	Petrobras	January 2019

(1) The Company holds a 55% interest in these drillships through a strategic partnership with Alperton Capital Ltd., or Alperton. We will receive 100% of the charter and services revenues from these drillships until the repayment in full of loans we have made to Alperton (with a maximum term of 12 years) to fund its related equity contributions.

(2) Delivery date corresponds to the date the upgrade of these rigs was concluded.

(3) The dayrates reflect 100% of the charter and corresponding service contract dayrates and include the applicable performance bonus under each offshore charter and corresponding service contract.

(4) On April 25, 2017, the Company announced that Olinda Star was awarded a three-year contract with ONGC, an Indian state-owned oil and gas exploration and production company, for operations within an offshore area in India. The operations commenced on January 12, 2018.

(5) On July 08, 2017, the Alpha Star offshore drilling charter and service rendering agreements with Petrobras expired.

(6) On February 12, 2018, the Gold Star offshore drilling charter and service rendering agreements with Petrobras expired.

(7) On March 31, 2018, the Lone Star offshore drilling charter and service rendering agreements with Petrobras expired.

(8) On August 1, 2018, the Company announced that its ultra-deepwater drillship Brava Star was awarded a contract with Shell Brasil. The operations under the contract are expected to commence by early 2019 and will be performed offshore of Brazil. On August 16, 2018, the Brava Star offshore drilling charter and service rendering agreements with Petrobras expired.

(9) On September 17, 2018, the Company announced that its ultra-deepwater drillship Laguna Star was awarded a contract with QGEP. The operations under the contract are expected to commence by early 2019 and will be performed offshore of Brazil. On November 18, 2018, the Laguna Star offshore drilling charter and service rendering agreements with Petrobras expired.

(10) On September 17, 2018, the Amaralina Star offshore drilling charter and service rendering agreements with Petrobras expired.

(11) Petrobras informed the Company that the original July termination date of the Atlantic Star rig's contract was extended due to "well in progress". The contract is expected to expire by the end of January 2019.

Onshore Rig	Type	Drilling Depth Capacity (ft)	Customer	Charter Expiration Date
QG-I (1)	1600HP	16,500	Zeus ÖL	July 2018
QG-II (2)	1600HP	16,500	Ouro Preto Óleo e Gás	October 2018
QG-III..................	Heli-portable; 1200HP	11,500	-	-
QG-IV	Heli-portable; 550HP	9,800	-	-
QG-V	Heli-portable; 1600HP	14,800	-	-
QG-VI	2000HP	23,000	-	-
QG-VII	2000HP	23,000	-	-
QG-VIII................	Heli-portable; 1600HP	14,800	-	-
QG-IX	Heli-portable; 1600HP	14,800	-	-

(1) In October 2017, the Company signed an agreement to charter and render onshore drilling services for Zeus ÖL, a Paraguayan company based in Asunción. The agreement was for the drilling of up to two wells in Paraguay using the onshore drilling rig QG-I. The operation commenced on December 28, 2017, and the contract expired on July 13, 2018.

(2) In January 2018, the Company signed an agreement to charter and render onshore drilling services for Ouro Preto Óleo e Gás. The agreement was for the drilling of two wells in Parnaíba Basin (Brazil), using the onshore drilling rig QG-II. The operation started on August 1, 2018, and the contract expired on October 23, 2018.

FPSO	Status	% Interest	Daily Production Capacity (bbl/day)	Storage Capacity (bbl)	Delivery Date	Charter Expiration Date	Total Contract Amount (in millions of $)(1)
Capixaba	Operating	20%	100,000	1,600,000	May 2006	February 2022	1,774.9
Cidade de Paraty	Operating	20%	120,000	2,300,000	June 2013	May 2033	4,254.2
Cidade de Ilhabela.........	Operating	12.75%	150,000	2,400,000	November 2014	November 2034	5,220.5
Cidade de Maricá	Operating	5%	150,000	1,600,000	February 2016	February 2036	5,348.0
Cidade de Saquarema	Operating	5%	150,000	1,600,000	July 2016	July 2036	5,273.0

(1) The total contract amount refers to 100% of the amounts to be paid under both the charter and corresponding services contract.

Backlog (1)

	2018	2019	2020	2021	2022–2036	Total	%
Ultra-deepwater	432.0	-	-	-	-	432.0	20.3%
Deepwater.............	51.4	42.5	42.6	1.0	-	137.5	6.5%
Midwater...............	59.3	-	-	-	-	59.3	2.8%
FPSOs...................	107.0	107.0	107.3	107.0	1,066.5	1,494.7	70.3%
Onshore................	1.4	-	-	-	-	1.4	0.1%
Total....................	**651.2**	**149.4**	**149.8**	**108.0**	**1,066.5**	**2,124.9**	**100.0%**

(1) Contract drilling backlog is calculated by multiplying the contracted operating dayrate by the firm contract period and adding any potential rig performance bonuses, which we have assumed will be paid to the maximum extent provided for in the respective contracts. Our calculation also assumes 100% uptime of our drilling rigs for the contract period; however, the amount of actual revenue earned and the actual periods during which revenues are earned may be different from the amounts and periods shown in the tables below due to various factors, including, but not limited to, stoppages for maintenance or upgrades, unplanned downtime, the learning curve related to commencement of operations of additional drilling units, weather conditions and other factors that may result in applicable dayrates lower than the full contractual operating dayrate. Contract drilling backlog includes revenues for mobilization and demobilization on a cash basis and assumes no contract extensions. The Company is no longer considering the backlog from Sete Brasil. In December 2015, Constellation exercised a Put Option whereby it has formalized its intention to cease its ownership interest in the Sete Brasil rigs by transferring its shares to Sete International in accordance with the Shareholders' Agreement.

Revenue per asset type

	For the three-month period ended December 31,		**% Change**	**For the year ended December 31,**		**% Change**
	2017	**2016**	**2017/ 2016**	**2017**	**2016**	**2017/ 2016**
Net revenue per asset type:	*(in millions of $)*			*(in millions of $)*		
Ultra-deepwater...............................	194.5	217.8	-10.7%	830.8	902.7	-8.0%
Deepwater	-	4.1	-100%	4.0	12.4	-67.7%
Midwater	25.3	37.7	-32.8%	103.4	187.9	-45.0%
Onshore rigs	-	-	-	7.5	12.9	-41.8%
Other	0.1	0.1	0%	0.1	3.9	-97.4%
Total	219.9	259.8	-15.3%	945.8	1,119.7	-15.5%

Operating Statistics

	For the three-month period ended December 31,		**For the year ended December 31,**	
	2017	**2016**	**2017**	**2016**
Uptime by asset type (1):	*(%)*		*(%)*	
Ultra-deepwater	93	95	91	95
Deepwater................................	-	-	-	-
Midwater	97	98	99	98
Onshore rigs	96	-	99	99

Utilization days (2):	For the three-month period ended December 31, 2017	2016	Change 2017/2016	For the year ended December 31, 2017	2016	Change 2017/2016
	(in days)			*(in days)*		
Ultra-deepwater	448	538	(90)	2,002	2,171	(169)
Deepwater	-	-	-	-	-	-
Midwater (3)	92	136	(44)	365	684	(319)
Onshore rigs	4	-	4	140	282	(142)
Total	540	674	(134)	2,507	3,137	(630)

(1) Uptime is derived by dividing (i) the number of days the rigs effectively earned a contractual dayrate by (ii) utilization days. Uptime adjusts for planned downtime, such as rig upgrades and surveys.

(2) Utilization days consider the impact of scheduled maintenance, reflecting the days without revenue related to planned upgrades and surveys.