Constellation Oil Services Holding S.A. Reports Full-Year 2019 Results

Luxembourg, June 05, 2020 – Constellation Oil Services Holding S.A. ("Constellation" or the "Company") a market leading provider of offshore and onshore oil and gas contract drilling services in Brazil, today reported results for the full year 2019.

2019 RESULTS

- Net operating revenue decreased 75.9% year-over-year to US$ 122.4 million in 2019;
- Revenues from UDW units represented 60.7% of total net revenues in 2019, down from 72.9% in 2018;
- In 2019, the Company recognized US$ 687.9 million of non-cash impairment charges mainly related to Laguna Star, Gold Star, Lone Star, Alpha Star, Amaralina Star, Brava Star and Olinda Star;
- Adjusted EBITDA totaled negative US$ 125.0 million and the adjusted EBITDA margin was negative 102.1% in 2019, compared to US$ 254.6 million and 50.1% in 2018, respectively;
- Net income during the year was US$ 116.5 million, up from a net income of US$ 76.8 in 2018;
- The total backlog as of December 31, 2019 was US$ 656.2 million;
- Average uptime for the UDW fleet was higher year-over-year at 96% in 2019, compared with 89% in 2018.

RECENT DEVELOPMENTS

- On January 2, 2020, the Group announced that the Amaralina Star drillship has been awarded a contract with the consortiums of BM-S-11, BM-S-11A and Production Individualization Agreement (Acordo de Individualização de Produção – AIP) of Lula field, operated by Petrobras. The contract has a 2-year estimated duration. Operations started on April 15, 2020, and are being performed offshore the Brazilian coast, at the Santos Basin.

- On February 5, 2020, the Group announced that the Atlantic Star offshore drilling rig has been awarded a contract with Petrobras. The contract has a 3-year estimated duration. Operations are expected to start by the end of October 2020, and will be performed offshore the Brazilian coast, at the Campos Basin.

- In February 2020, due to the absence of a new contract in the near future and low demand expectations for the QG-III onshore drilling rig, the Group reassessed the viability of new capital investments in said drilling rig and made the decision to proceed with its scrapping.

- On April 10, 2020 the Group announced a special one-time PIK Interest payment on the Senior Secured Participating Notes and on the Senior Secured Third Lien Notes was made, pro-rata, in accordance to Section 3.13 of the Indenture dated December 18, 2019 (as amended, supplemented or modified from time to time, the "Participating Notes Indenture" and the "Stub Notes Indenture"), as the Company satisfied the Olinda Star Guarantee Condition on April 07, 2020. In accordance to section 2.13 of the Participating Notes Indenture and the Stub Notes Indenture, the Company paid US$3.3 million on the Senior Secured Notes and US$0.2 million on the Senior Secured Third Lien Notes, totaling US$3.5 million PIK pro-rata.

COVID-19 IMPACTS

Although 2020 started with recovery signs for the offshore drilling segment, the global economy is currently facing an unprecedented crisis with the fast-spreading new coronavirus (COVID-19), which is negatively impacting supply chains, travels, and in particular, the financial and oil and gas markets. The Group is not immune to the effects of this global crisis and is taking all necessary precautions and measures, both in operational and administrative areas.

Actions taken by governmental authorities, non-governmental organizations, businesses and individuals around the world aiming at slowing the COVID-19 pandemic curve and associated consumer behavior have negatively influenced forecasted global economic activity, thereby resulting in lower demand for crude oil. This scenario has created a current and forecasted oversupply, precipitating the recent steep decline in oil prices and an increase in oil price volatility. As a result, the current main customer of the Group (Petrobras) has adopted resilience measures comprising reduction of oil production, postponement of cash disbursement and cost restraint measures. These measures directly affected the Group, and after a short negotiations period, the original terms of certain contracts signed during 2019 and 2020 have been subject to changes. The main changes are: (i) delay in the start-up of Alpha Star commencement of operations to August 2020; (ii) deferral of Alpha Star and Atlantic Star first months' charter fee payment to January and February 2021; (iii) deferral of Atlantic Star mobilization payment to January 2021; and (iv) deferral of contractual penalties payments for delay in mobilizing Lone Star and Alpha Star offshore drilling units, if due, for early 2021.

In India, regarding Olinda Star contract, ONGC invoked the Force Majeure clause based on COVID-19 crisis. Force Majeure began on May 10, 2020, however the Group is contesting such Force Majeure and will engage in negotiations with ONGC. Any Force Majeure period could be added to the contractual period date, which is January 12, 2021.

As a result of the items described above and its impacts in the Group's cash flow assessment for the years ending December 31, 2020 and 2021, the Group will need to approach its financial creditors to negotiate certain terms and conditions of potential affected obligations before they become due (interest payments and covenants that were agreed in the Second Amended and Restated PSA - Note 1.k).

Finally, the Group considers COVID-19 impacts to be a non-adjusting subsequent event following the concepts of IFRS framework. Accordingly, the consolidated financial statements as of and for the year ended December 31, 2019 have not been adjusted to reflect any impacts arising from this matter. The impairment of long-lived assets (offshore drilling rigs and drillships) assessment conducted by Management was based on economic and market conditions prevailing at December 31, 2019. Considering that the COVID-19 crisis and the current oil and gas market conditions lead to contract changes and reduction in forecasted cash inflows, Management performed a sensitivity analysis based on these changes and said analysis indicates a potential impairment loss provision to be recognized for the year ending December 31, 2020, in the approximate range from US$100 million to US$105 million.

SETTLEMENT AGREEMENT WITH ALPERTON

On May 23, 2020 the Group and Alperton and certain Alperton affiliates, among other parties, reached an agreement to resolve the disputes between them, and, without recognizing any claim to Alperton, the Group agreed to reimburse certain expenses incurred by Alperton in connection with the Proceedings in the amount of US$2.4 million (¨the Settlement Payment"). Such amount is solely for the payment or reimbursement of certain professional fees and expenses incurred by Alperton in connection with the Proceedings.

Alperton has agreed that (i) nothing is owed by Constellation to Alperton in connection with the matters described in the settlement agreement; (ii) the Settlement Payment represents the full amount to be paid as reimbursement of their attorneys' fees, and (iii) Constellation Overseas is the 100% legal and beneficial owner of the Amaralina and Laguna shares.

As a condition precedent to the transfer of any installment of the Settlement Payment, Alperton shall within 2 days from the execution of the agreement, jointly with the Group, request the Arbitral Tribunal to issue on an expedited basis a consent award terminating the Arbitration and incorporating the terms of the settlement agreement (the "Consent Award"). Upon issuance by the Arbitral Tribunal of the Consent Award, Alperton shall withdraw the pending appeals and motions in the Brazilian Proceedings and all proceedings pending in the BVI against the Group. The Group shall also support the withdrawal of any such claim, appeal, action or motion in any relevant court or tribunal.

MANAGEMENT COMMENTARY

2019 was undoubtedly a year of many challenges, but also a year of learning. We completed our RJ process with the support of our creditors, reached crucial developments on the commercial front and, through the strategy of focusing on cost control and capital discipline, created an unprecedented legacy of efficiency which became part of Constellation's DNA. These pillars will be fundamental to face the coming years.

Although 2020 has started with signs of recovery in the Offshore Drilling segment, with higher demand and rising dayrates, the COVID-19 pandemic collapsed the market and dived not only the Oil and Gas industry in one of its worst crisis, but the whole economy.

We have adopted several preventive measures to preserve our employees' health and to mitigate the effects on our operations, such as: home-office for administrative activities, national and international travel restrictions, changes in the work schedules of operations, guidance on safe distancing, reduction and control of number of people in meeting rooms, mandatory use of masks for all employees on board, reinforcement of hygiene and cleaning, reinforced information about COVID-19 for our employees before boarding, and immediate evacuation of suspected cases diagnosed by the medical team. Besides, the Company has maintained intense contact with its supply chain and customers to anticipate any eventual matters we are subjected to. Constellation is completely engaged to prevent the transmission of the COVID-19 virus among its workforce, contractors, and the community.

We have seen Oil Companies taking measures to preserve their cash flows, cutting CapEx for offshore projects, cancelling/delaying tenders, and renegotiating terms of existing contracts, which would adversely affect our cash flow, liquidity, and ability to repay our indebtedness in the mid-term. As a result of the items described above resulting impacts in our cash flow assessment for 2020 and 2021, the Company will need to approach creditors to negotiate certain terms of its interest payments and covenants that were agreed in December 2019. The Group is also closely monitoring any potential strategy and support from the Amended and Restated RJ Plan approved in 2019.

In this unprecedented moment of World's economy, we count on the support of our employees, customers, creditors, suppliers, and stakeholders to overcome this challenging barrier.

FULL YEAR 2019 RESULTS

In 2019, net operating revenue decreased 75.9%, or US$ 385.5 million, to US$ 122.4 million when compared to 2018. The result was due to the expiration of Gold Star, Lone Star, Brava Star, Amaralina Star, Laguna Star and Atlantic Star's contracts in February/18, March/18, August/18, September/18, November/18 and January/19, respectively. The decrease was partially offset by the start of operations of Brava Star for Shell in March/19, and Laguna Star for Enauta and Petrobras in February/19 and October/19, respectively.

In 2019, contract drilling expenses (operating costs excluding depreciation) decreased 22.6% year-over-year to US$ 160.2 million, compared with US$ 206.9 million in 2018. The result reflects the decrease in costs and in the number of employees in the offshore business, following the expiration of the abovementioned contracts.

In 2019, general and administrative expenses increased US$ 17.4 million to US$ 97.9 million. The increase in general and administrative expenses was mostly due to costs in connection with the financial restructuring discussions and ongoing proceedings.

In 2019, adjusted EBITDA was negative US$ 125.0 million and the adjusted EBITDA margin was negative 102.1%, compared with positive US$ 254.6 million and 50.1%, respectively, in 2018. The decrease in 2019 adjusted EBITDA was mainly due to the expiration of the previously mentioned rigs contracts and costs in connection with the financial restructuring, which was partially offset by the operations of Laguna Star and Brava Star during the year.

Net financial expenses increased 82% to US$ 196.4 million in 2019 (US$ 107.9 in 2018) . This result was mainly impacted by the interest on restructured debt retroactive to 2018.

Net income was US$ 116.5 million in 2019, compared to a net income of US$ 76.8 million in 2018, mainly due to the impairment reversal of US$ 687.9 million in 2019, partially compensated by the previously mentioned expiration of Gold Star, Lone Star, Brava Star, Amaralina Star, Laguna Star and Atlantic Star's contracts, increase in net financial expenses and restructuring costs.

CASH FLOW & BALANCE SHEET HIGHLIGHTS

Adjusted cash flow provided by operating activities, which excludes the impact of decreased short-term investments, totaled negative US$ 129.5 million in 2019, compared to US$ 242.0 million in 2018. The reduction is mainly due to lower Adjusted EBITDA.

Net cash used in investing activities (acquisition of property, plant and equipment) totaled US$ 90.9 million in 2019, compared to negative US$ 25.3 million in 2018. The increase was mainly due to the disinvestment in the FPSO business.

Total cash (which includes cash and cash equivalents, short-term investments and restricted cash) increased to US$ 250.5 million as of December 31, 2019, compared to US$ 178.0 million as of December 31, 2018. The increase is mainly due to cash received in the FPSO sale of US$ 148,7 million and approximately US$ 103 million in funding from its shareholders, secured lenders, working capital lenders, and secured noteholders.

Total debt increased US$ 232.2 million to US$ 1.7 billion as of December 31, 2019, compared to US$ 1.5 billion December 31, 2018.

Net debt increased US$ 159.7 million to US$ 1.5 billion as of December 31, 2019, compared to US$ 1.3 billion December 31, 2018.

ABOUT CONSTELLATION OIL SERVICES HOLDING S.A.

Constellation is a market leading provider of offshore and onshore oil and gas contract drilling services 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 drilling units; (vi) our ability to procure or have access to financing and comply with our loans and financings covenants; (vii) our ability to successfully employ our drilling units; (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

Consolidated Statement of Operations Data:	For the year ended December 31, 2019	2018
	(in millions of US$, except per share amounts)	
Net operating revenue	122.4	507.9
Operating Costs	(350.3)	(380.8)
Gross profit	(227.9)	127.1
General and administrative expenses	(97.9)	(80.5)
Other operating income (expenses), net	635.5	129.2
Operating profit	309.7	175.8
Financial expenses, net	(196.4)	(107.9)
Share of results of investments	4.6	7.7
Profit before taxes	117.9	75.6
Taxes	(1.4)	1.2
Profit for the period/year	116.5	76.8
Profit per share:		
Basic	0.42	0.38
Diluted	0.42	0.38
Weighted average common shares outstanding (thousands of common shares):		
Basic	2,889,227	189,227
Diluted	2,889,227	189,227

Other Financial Information:	For the year ended December 31, (unaudited) 2019	2018
	(in millions of US$)	
Profit/ (loss) for the period/year	116.5	76.8
(+) Financial expenses, net	196.4	107.9
(+) Taxes	1.4	(1.2)
(+) Depreciation	190.4	174.4
EBITDA [1]	504.8	357.9
EBITDA margin (%) [2]	412.4%	70.5%
Non-cash adjustments [3]		
Onerous contract provision,net	58.3	17.3
Impairment on FPSO	(0.2)	98.9
Impairment	(687.9)	(219.4)
Adjusted EBITDA [1]	(125.0)	254.6
Adjusted EBITDA margin (%) [2]	(102.1%)	50.1%

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(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) In 2019, the Company recognized US$ 687.9 million of non-cash impairment charges mainly related to Laguna Star, Gold Star, Lone Star, Alpha Star, Amaralina Star, Brava Star and Olinda Star, impairment reversal. The Company recorded non-cash losses of US$ 89.2 million due to an onerous contract provision related to Laguna Star, Gold Star, Lone Star, Alpha Star, Amaralina Star and Brava Star's contracts. The Company also recognized in 2019 US$ 30.9 million in non-cash adjustments due to a reversal of the onerous contract provision related to Olinda's contract with ONGC, Laguna's contract with Enauta, Brava's contract with Shell, Amaralina's contract with Total and Laguna's contract with Petrobras. In addition, the Company recorded an impairment reversal of US$ 0.2 million on investment in FPSO. In 2018, the Company recognized US$ 260.2 million as other income due to a reversion of non-cash impairment charges mainly related to: (a) the four UDW units Alpha Star, Amaralina Star, Gold Star and Lone Star; and (b) the DW rig Olinda Star. During 2018 the Company also recognized US$ 40.8 million of non-cash impairment charges mainly related to: (a) the two UDW units Brava Star and Laguna Star; and (b) the three onshore rigs QG-V, QG-VIII and QG-IX. In addition, the Company recorded an impairment loss of US$ 98.9 million on investment in FPSO. During 2018, the Company also recorded non-cash losses of: (a) US$ 18.7 million due to the onerous contract provision related to the contract between Brava Star and Shell Brasil; and (b) US$ 3.6 million due to the onerous contract provision related to the contract between Laguna Star and Enauta. In addition, the Company recognized US$ 5.0 million in non-cash adjustments due to a reversal of the onerous contract provision related to the contract between Olinda Star and ONGC. The provision was originally recorded in 4Q17, in the amount of US$ 36.0 million.

	As of December 31,		
	2019	**2018**	**2017**
	(in millions of US$)		
Consolidated Statement of Financial Position:			
Cash and cash equivalents	127.9	109.4	216.3
Short-term investments	4.3	26.0	13.5
Restricted cash	118.3	42.6	39.0
Total assets	3,450.5	3,063.2	3,586.7
Total loans and financings	1,707.4	1,475.2	1,655.2
Total liabilities	1,894.3	1,643.7	2,197.9
Shareholders' equity	1,556.2	1,419.5	1,388.8
Net Debt	1,457	1,297.2	1,386.4

	For the year ended December 31,		
Consolidated Statement of Cash Flows:	**2019**	**2018**	**2017**
	(in millions of US$)		
Cash flows provided by/used in operating activities:			
Profit for the year	116.5	76.8	(1,148.7)
Adjustments to reconcile net income to net cash used in operating activities	(247.7)	121.5	1,708.7
Net income after adjustments to reconcile net income to net cash used in operating activities	(131.2)	198.4	560.0
Decrease (increase) in working capital related to operating activities	1.7	28.3	117.8
Cash flows provided by operating activities	(129.5)	226.6	677.8
Cash flows used in investing activities	90.9	(25.3)	(71.0)
Cash flows provided by (used in) financing activities	57.4	(304.6)	(671.0)
Increase (decrease) in cash and cash equivalents	18.8	(103.3)	(64.2)

Non-GAAP Adjusted Cash Flows[1] (unaudited):	For the year ended December 31, 2019	2018	2017
Cash flows provided/used in operating activities ..	(129.5)	226.6	677.8
Impact of short-term investments	-	(15.4)	100.4
Adjusted cash flows provided by operating activities..	(129.5)	242.0	577.4

(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[1]	Customer	Contract Initial Date	Contract Expiration Date
Ultra-deepwater							
Alpha Star [6]	100%	DP; SS	9,000	July 2011	Petrobras	August 2020	August 2022
Lone Star [6]	100%	DP; SS	7,900	April 2011	Petrobras	April 2020	April 2022
Gold Star [6]	100%	DP; SS	9,000	February 2010	Petrobras	February 2020	February 2022
Amaralina Star [5]	100%	DP drillship	10,000	September 2012	Petrobras	April 2020	April 2022
Laguna Star [4]	100%	DP drillship	10,000	November 2012	Petrobras	October 2019	October 2021
Brava Star [3]	100%	DP drillship	12,000	August 2015	Shell	March 2019	September 2020
Deepwater							
Olinda Star [2]	100%	Moored; SS	3,600	August 2009 [1]	ONGC	January 2018	January 2021
Midwater							
Atlantic Star [7]	100%	Moored; SS	2,000	February 2011 [1]	Petrobras	October 2020	October 2023

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

(2) On April 25, 2017, the Company announced that Olinda Star was awarded a three-year contract with Oil and Natural Gas Corporation Ltd. ("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. In India, regarding Olinda Star contract, ONGC invoked Force Majeure clause based on COVID-19 crisis. Force Majeure began on May 10, 2020; however The Company is disputing such Force Majeure and will engage in negotiations with ONGC. Any Force Majeure period could be added to the contractual period date, which is January 12, 2021.

(3) 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 commenced on March 7, 2019. The total contract duration is now estimated in 552 days.

(4) On September 17, 2018, the Company announced that its UDW drillship Laguna Star was awarded a contract with Enauta for a campaign of one firm well up to 90 days, and two additional options for well interventions of 45 days each. The operations under the contract commenced on February 18, 2019, and the contract expired on September 20, 2019. On July 04, 2019, the Company announced that the Laguna Star was awarded a contract with the consortiums of BM-S-11, BM-S-11 and AIP (Acordo de Individualização de Produção, or Production Individualization Agreement) of Lula, operated by Petrobras. The contract has a firm duration of 730 days. The work is being performed in the Santos Basin, located offshore of Brazil, and operations under the contract commenced on October 30, 2019.

(5) On January 02, 2020, the Company announced that the Amaralina Star was awarded a contract with the consortiums of BM-S-11, BM-S-11A and AIP (Acordo de Individualização de Produção, or Production Individualization Agreement) of Lula, operated by Petrobras. The contract has a duration of 730 days. The work will be performed in the Santos Basin, located offshore of Brazil. The operations commenced on April 15, 2020.

(6) On July 22, 2019, the Company announced that three of the Company's ultra-deepwater (UDW) rigs, Alpha Star, Gold Star, and Lone Star, have been awarded new firm contracts with Petrobras for two years. The drilling activities will be performed offshore of

Brazil. The operations under Gold Star’s and Lone Star’s contract commenced on February 18, 2020 and April 24, 2020, respectively, whereas Alpha Star’s operations are expected to commence in August 2020.

(7) On February 05, 2020, the Company announced that the Atlantic Star was awarded a contract with Petrobras S.A.. The contract has a firm duration of 1095 days. The work will be performed in the Campos Basin, located offshore Brazil, and operations under the contract are expected to commence up to the end of October 2020.

Onshore Rig (2)	Type	Drilling Depth Capacity (ft)	Customer	Charter Expiration Date
QG-I	1600HP	16,500	-	-
QG-II	1600HP	16,500	-	-
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 (1)	Heli-portable; 1600HP	14,800	-	-
QG-IX	Heli-portable; 1600HP	14,800	-	-

(1) On July 4, 2019, the Company announced that it has signed an agreement to charter and render onshore drilling services for Eneva S.A. (“Eneva”). The agreement is for the drilling of three wells in Azuão Block (Amazon basin, Brazil), using the onshore drilling rig QG-VIII. The operation commenced on October 01, 2019 and ended on February 17, 2020.

(2) In February 2020, due to the absence of a new contract in the near future and low demand expectations for the QG-III onshore drilling rig, the Group made the decision to proceed with its scrapping.

Backlog (1)

	2020	2021	2022	Total	%
Ultra-deepwater	246.1	289.9	74.8	610.8	93.1%
Deepwater.............	42.6	1.3	-	43.8	6.7%
Midwater................	-	-	-	-	0.0%
Onshore.................	1.5	-	-	1.5	0.2%
Total....................	**290.2**	**291.2**	**74.8**	**656.2**	**100.0%**

(1) Contract drilling backlog is calculated by multiplying the contracted operating dayrate by the firm contract period. 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 and the backlog from FPSO, as it was sold in November 2019.

Revenue per asset type (unaudited)

	For the year ended December 31,		% Change
	2019	2018	2019/ 2018
Net revenue per asset type:	*(in millions of US$)*		
Ultra-deepwater	73.4	370.4	-80.2%
Deepwater	40.2	37.1	8.3%
Midwater	6.3	94.3	-93.3%
Onshore rigs	2.5	6.1	-59.0%
Other	-	-	-
Total	122.4	507.9	-75.9%

Operating Statistics (unaudited)

	For the year ended December 31,	
	2019	2018
Uptime by asset type [(1)]:	*(%)*	
Ultra-deepwater	96	89
Deepwater	93	87
Midwater	100	96
Onshore rigs	98	98

	For the year ended December 31,		Change
	2019	2018	2019/ 2018
Utilization days [(2)]:	*(in days)*		
Ultra-deepwater	621	929	(308)
Deepwater	357	335	22
Midwater [(3)]	23	365	(342)
Onshore rigs	92	274	(182)
Total	1,093	1,903	(810)

(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.