QGOG Constellation S.A. Reports
Nine Months 2012 Results

Luxembourg, November 30, 2012 – QGOG Constellation S.A., ("QGOG Constellation" or the "Company") a market leading Brazilian-controlled provider of offshore and onshore oil and gas contract drilling and FPSO services in Brazil, today reported unaudited results for the nine months ended September 30, 2012.

HIGHLIGHTS

- Net operating revenue increased 38.7% year-over-year to US$575.9 million in 9M12;
- Net income was US$111.3 million in 9M12 compared to a US$24.7 million loss in 9M11;
- Cash flow provided by operating activities increased 190.9% year-over-year to US$277.7 million in 9M12;
- EBITDA margin expanded to 56.5% in 9M12 from 38.8% in 9M11;
- With a fully contracted fleet, our total backlog as of September 30, 2012 was US$10.9 billion, over 15 times last twelve months net operating revenue;
- Average uptime for the ultra-deepwater (UDW) fleet was 98% in 3Q12 and 90% in 9M12;
- Amaralina Star UDW drillship was delivered by Samsung Heavy Industries (SHI) on July 2 and commenced operations on September 19;
- Laguna Star UDW drillship was delivered by SHI on September 12.

RECENT EVENTS

- Laguna Star UDW drillship commenced operations on November 20;
- An option was exercised with SHI, through one of our affiliates, on November 14, to deliver a UDW drillship by December 2014.
- On November 9 the Company issued US$700.0 million 6.25% Senior Unsecured Notes due 2019. The proceeds will repay certain outstanding short-term debt, with remaining funds allocated to general corporate purposes;

NINE MONTHS 2012 RESULTS

Net operating revenue increased 38.7%, or US$160.6 million, to US$575.9 million in the first nine months of 2012 when compared to the same period of 2011. This increase reflects the contribution of five new rigs that commenced operations in 2011, namely the Lone Star UDW rig and the onshore rigs QG-V, QG-VIII and QG-IX in April and the Alpha Star UDW rig in July, as well as the upgrade of the Atlantic Star midwater rig concluded in February. As a result of the commencement of new rigs in 2011, and the operation of such rigs during the 9M of 2012, the Company's total offshore utilization days increased 343 to 1,656 during the first nine months of 2012. Rigs that began operations in 2011 contributed US$128.0 million to the overall increase in net operating revenue in the first nine months of 2012. The Atlantic Star midwater rig contributed US$39.6 million to the overall increase in net operating revenue during the same period, in line with the increase in its dayrate and availability. The overall rise in net operating revenue was partially offset by a 17.6% depreciation of the *real* against the U.S. dollar during the first nine month period of 2012 versus 2011. This resulted in a 6.7% decrease in revenue in U.S. dollars from the Company's service contracts that are denominated in *reais* and historically represent between 10% to 40% of total revenue per offshore contract.

Average uptime of the UDW and deepwater rigs remained stable in the first nine months of 2012 at 90% and 97%, respectively. Average uptime of the midwater rigs increased to 91% compared to 89% in the first nine months of 2011, and reached 94% in 3Q12. Onshore rigs maintained average uptime at 99% in 9M12.

Costs of services increased 8.9%, or US$28.0 million, to US$342.5 million in the first nine months of 2012 when compared to the same period of 2011, while contract drilling expenses (cost of services excluding depreciation and amortization) remained stable at US$224.0 million. The increase in costs of services mainly reflects an increase in depreciation of US$27.0 million. In addition, payroll, charges and benefits increased US$10.4 million, or 8.7%, to US$128.6 million, related to the commencement of operations of new rigs and an annual inflation adjustment to salaries, which was partially offset by the depreciation of the *real* against the U.S. dollar. The currency impact was the primary driver of a decrease in material costs of US$5.9 million and in maintenance costs of US$2.3 million in 9M12.

General and administrative expenses increased to US$31.5 million in the first nine months of 2012 from US$22.1 million in the comparable 2011 period, primarily due to an increase in administrative headcount to support the expansion of operations, annual inflation adjustments to salaries and additional expenses related to a corporate reorganization and enhanced corporate governance.

EBITDA increased to US$325.6 million and EBITDA margin expanded to 56.5% million in the first nine months of 2012, from US$161.2 million and 38.8%, respectively, in the same period of 2011.

Net financial costs increased 1.6%, or US$1.5 million, to US$94.2 million during the first nine months of 2012. This increase reflects interest expense related to the financing of the Alpha and Lone Star rigs capitalized prior to the commencement of these units, the project bond issued in July 2011 and two short-term loans entered into in June 2012. These factors were partially offset by interest on short-term investments and lower mark-to-market derivative expenses.

Net income totaled US$111.3 million in 9M12 compared to a net loss of US$24.7 million in 9M11.

CASH FLOW & BALANCE SHEET HIGHLIGHTS

Cash flows provided by operating activities totaled US$277.7 million in the first nine months of 2012 compared to US$95.4 million in the same period of last year, mainly due to new rigs commencing operations and in line with increased EBITDA. The difference between EBITDA and cash flow provided by operating activities is mainly due to changes in working capital.

Capital expenditures recorded as cash flow from investing activities totaled US$938.2 million in the first nine months of the year, compared to US$197.7 million in the same period of 2011. The increase is mainly due to milestone payments in connection with the construction of the Amaralina Star and Laguna Star rigs amounting to US$930.6 million.

Total Cash increased to US$410.6 million as of September 30, 2012 compared to US$353.9 million as of December 31, 2011. As of September 30, 2012, debt totaled US$3.3 billion, consisting of US$1.1 billion of short-term debt (including US$451.2 million of the current portion of long-term debt) and US$2.2 billion of long-term debt. Net debt increased US$838.9 million to US$2.9 billion principally due to Amaralina Star and Laguna Star loan facilities.

ABOUT QGOG CONSTELLATION S.A.

QGOG Constellation is a market leading Brazilian-controlled provider of offshore and onshore oil and gas contract drilling and FPSO services in Brazil through its subsidiary Queiroz Galvão Óleo e Gás S.A. (QGOG). It also provides chartering of offshore and onshore drilling rigs. With continuous operations since 1981, QGOG has built an unmatched reputation for excellence in service for onshore and offshore drilling, obtaining ISO 9001, ISO 14991 and OHSAS 18011 certification 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 QGOG 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 QGOG 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 QGOG Constellation's records and other data available from third parties. Although QGOG 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 QGOG Constellation's control, QGOG 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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QGOG Constellation– Financial and Operating Highlights

	For the nine–month period ended September 30,		For the year ended December 31,		
	2012	**2011**	**2011**	**2010**	**2009**
Statement of Operations Data:	*(in millions of $, except per share data)*				
Net operating revenue	575.9	415.3	586.3	346.8	156.6
Costs of services	(342.5)	(314.5)	(466.1)	(264.5)	(141.2)
Gross profit	233.5	100.9	120.2	82.3	15.4
General and administrative expenses	(31.5)	(22.1)	(29.8)	(24.7)	(20.0)
Other operating expenses, net	1.8	(10.5	(11.3)	(34.3)	(15.9)
Operating profit (loss)	203.8	68.2	79.1	23.3	(20.5)
Financial costs, net	(94.2)	(92.7)	(118.5)	(76.3)	(32.0)
Share of results of joint ventures	2.4	0.5	1.0	6.2	6.9
Income (loss) before taxes	112.0	(23.9)	(38.4)	(46.8)	(45.6)
Taxes	(0.7)	(0.7)	(5.1)	1.5	0.9
Net income (loss) for the period	111.3	(24.7)	(43.5)	(45.3)	(44.7)
Net earnings (loss) per common share:					
Basic	2.00	(0.44)	(0.71)	(0.81)	(0.80)
Diluted	2.00	(0.44)	(0.71)	(0.81)	(0.80)
Weighted average common shares outstanding (thousands of common shares):					
Basic	55,632	55,632	55,632	55,632	55,632
Diluted	55,632	55,632	55,632	55,632	55,632

	For the nine–month period ended September 30, (unaudited)		For the year ended December 31,		
	2012	**2011**	**2011**	**2010**	**2009**
Other Financial Information:	*(in millions of $)*				
Net income (loss) for the period/year	111.3	(24.7)	(43.5)	(45.3)	(44.7)
(+) Financial costs, net	94.2	92.7	118.5	76.3	32.0
(+) Taxes	0.7	0.7	5.1	(1.5)	(0.9)
(+) Depreciation	119.4	92.5	131.3	90.6	49.5
EBITDA(1)	325.6	161.2	211.4	120.1	35.9
EBITDA margin (%) (2)	56.5%	38.8%	36.1%	34.6%	22.9%

(1) EBITDA is a non-GAAP measure prepared by us. EBITDA consists of: net income, plus financial costs, net, 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 financial costs, net, taxes, depreciation, capital expenses and other related expenses.

(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.

Statement of Financial Position:	As of Sept. 30, 2012	As of December 31, 2011	2010	2009
	(in millions of $)			
Cash and cash equivalents	276.7	188.9	84.3	63.1
Short-term investments	116.1	138.7	8.5	36.1
Restricted cash	17.9	26.3	29.6	—
Total assets	5,132.8	4,734.1	3,678.5	2,912.5
Total loans and financings	3,336.2	2,440.5	2,006.3	1,716.6
Total liabilities	3,895.2	3,611.7	2,451.5	2,049.6
Shareholders' equity	1,237.6	1,122.4	1,227.0	862.9

	For the nine-month period ended Sept. 30,		For the year ended December 31,		
Statement of Cash Flows:	2012	2011	2011	2010	2009
	(in millions of $)				
Cash flows provided used in operating activities:					
Net income (loss) for the period	111.3	(24.7)	(43.5)	(45.3)	(44.7)
Adjustments to reconcile net income (loss) to net cash used in operating activities	207.3	193.6	260.7	192.5	89.2
Net income after adjustments to reconcile net income (loss) to net cash used in operating activities	318.6	168.9	217.2	147.2	44.5
Decrease (increase) in working capital related to operating activities	(41.0)	(73.5)	(99.3)	(67.8)	(53.8)
Cash flows provided by (used in) operating activities	277.7	95.4	117.9	79.4	(9.3)
Cash flows used in investing activities	(1,006.9)	(259.5)	(277.8)	(799.9)	(391.1)
Cash flows provided by (used in) financing activities	816.1	467.6	262.4	739.3	367.7
Increase (decrease) in cash and cash equivalents	86.8	303.5	102.5	18.8	(32.7)

Fleet summary report

Offshore Rig	% Interest	Type	Water Depth (ft)	Delivery Date	Dayrate ($/day) September 30, 2012	Contract Expiration Date
Ultra-deepwater						
Alpha Star	100%	DP; SS	9,000	July 2011	431,513	July 2017
Lone Star	100%	DP; SS	7,900	April 2011	349,212	March 2018
Gold Star	100%	DP; SS	9,000	February 2010	354,788	February 2015
Amaralina Star (1)	55%	DP drillship	10,000	September 2012	422,572	September 2018
Laguna Star (1)	55%	DP drillship	10,000	November 2012	422,572	November 2018
Urca	15%	DP; SS	10,000	July 2016	566,757	July 2031
Bracuhy	15%	DP; SS	10,000	January 2018	571,135	January 2033
Mangaratiba	15%	DP; SS	10,000	May 2019	575,544	May 2034
Deepwater						
Olinda Star	100%	Moored; SS	3,600	August 2009	292,297	August 2014
Midwater						
Alaskan Star	100%	Moored; SS	1,700	December 2010 (2)	304,063	November 2016
Atlantic Star	100%	Moored; SS	2,000	February 2011 (2)	292,368	July 2018

(1) We hold 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.

Onshore Rig	Type	Drilling Depth Capacity (ft)	Customer	Charter Expiration Date
QG-I	1600HP	16,500	OGX	February 2013
QG-II	1600HP	16,500	Petrobras	January 2014
QG-III	Heli-portable; 1200HP	11,500	Petrobras	April 2014
QG-IV	Heli-portable; 550HP	9,800	Petrobras	April 2014
QG-V	Heli-portable; 1600HP	14,800	Petrobras	April 2015
QG-VI	2000HP	23,000	Petrobras	June 2014
QG-VII	2000HP	23,000	Petrobras	June 2014
QG-VIII	Heli-portable; 1600HP	14,800	HRT	April 2015
QG-IX	Heli-portable; 1600HP	14,800	HRT	April 2015

FPSO	Status	% Interest	Daily Production Capacity (bbl/day)	Storage Capacity (bbl)	Expected Delivery Date	Charter Expiration Date	Total Contract Amount (in millions of $) (3)
Capixaba	Operating	20%	100,000	1,600,000	May 2006	May 2022	1,774.9
Cidade de Paraty	Construction	20%	120,000	2,300,000	May 2013	April 2033	4,254.2
Cidade de Ilhabela	Construction	12.75% (1)	150,000	2,400,000	September 2014	August 2034	5,220.5
P-63 (Papa Terra) (2)	Construction	—	140,000	2,200,000	July 2013	June 2016	89.1

(1) We currently own an equity interest of 12.75% with an option to increase our interest to 25.5% after first oil production.

(2) We own a 40% participation in the operating contract, but not an ownership interest in the asset. The term of the operating contract is 50 months. Petrobras owns this FPSO and no charter agreement exists.

(3) Except in the case of P-63, for which the total contract amount refers to 100% of the amounts to be paid under the service contract, total contract amount refers to 100% of the amounts to be paid under both the charter and corresponding services contract.

Backlog [1]

	2012	2013	2014	2015	2016	2017–2034	Total	%
				(*in millions of $*)				
Ultra-deepwater	215.7	722.9	722.9	609.1	639.7	4,385.2	7,295.7	67.0%
Deepwater	26.9	106.7	62.6	—	—	—	196.1	1.8%
Midwater	54.9	217.7	217.7	217.7	203.4	165.5	1,076.8	9.9%
FPSOs	5.2	68.4	127.1	120.3	112.3	1,668.2	2,101.5	19.3%
Onshore	30.3	108.6	66.2	17.2	—	—	222.2	2.0%
Total	**333.0**	**1,224.3**	**1,196.5**	**964.2**	**955.4**	**6,218.9**	**10,892.3**	**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.

Revenue per asset type

	For the nine-month period ended September 30,		**% Change**	**For the year ended December 31,**			**% Change**	
	2012	**2011**	**2012/ 2011**	**2011**	**2010**	**2009**	**2011/ 2010**	**2010/ 2009**
Net revenue per asset type:	(*in millions of $*)			(*in millions of $*)				
Ultra-deepwater.....................	275.3	166.1	65.7	240.8	100.2	—	140.3	—
Deepwater	71.0	68.4	3.8	89.3	85.9	22.5	4.0	281.8
Midwater...............................	140.7	104.9	34.1	150.8	91.8	70.2	64.3	30.8
Onshore rigs..........................	87.0	75.9	14.6	105.4	67.6	60.2	55.9	12.3
Other...................................	1.9	—	—		1.3	3.7	—	(64.9)
Total...................................	575.9	415.3	38.7	586.3	346.8	156.6	69.1	121.5

Operating Statistics

	For the nine-month period ended September 30,		For the year ended December 31,		
	2012	2011	2011	2010	2009
Uptime by asset type:	*(%)*			*(%)*	
Ultra-deepwater	90	91	84	89	—
Deepwater	97	96	94	92	61
Midwater	91	89	90	98	98
Onshore rigs	99	99	99	99	99

	For the three-month period ended March 31, 2012	For the three-month period ended June 30, 2012	For the three-month period ended September 30, 2012
Uptime:	*(%)*	*(%)*	*(%)*
Ultra-deepwater	78	94	98
Deepwater	97	95	98
Midwater	88	90	94
Onshore rigs	99	99	99

	For the nine-month period ended September 30,		% Change	For the year ended December 31,			% Change	
	2012	2011	2012/ 2011	2011	2010	2009	2011/ 2010	2010/ 2009
Utilization days (1):	*(in days)*				*(in days)*			
Ultra-deepwater	834	536	55.6	813	321	—	153.3	—
Deepwater	274	273	0.4	365	365	151	—	141.7
Midwater	548	504	8.7	688	472	730	45.8	(35.3)
Onshore rigs	2,466	2,142	15.1	2,970	2,004	2,030	48.2	(1.3)
Total	4,122	3,455	19.3	4,836	3,162	2,911	52.9	8.6

(1) Utilization days are derived by multiplying the number of rigs by the days under contract, excluding upgrade periods. Except for certain of our onshore rigs, our rigs are currently under long-term contracts.