Ocean Rig UDW Inc.
NASDAQ: “ORIG”

August 12, 2016

2nd Quarter Ended June 30, 2016
Earnings Presentation

Forward Looking Statements

Matters discussed in this presentation 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 presentation 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 factors related to (i) the offshore drilling market, including supply and demand, utilization, day rates and customer drilling programs, commodity prices, effects of new rigs and drillships on the market and effects of declines in commodity process and downturns in the global economy on the market outlook for our various geographical operating sectors and classes of rigs and drillships; (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) newbuildings, upgrades, and shipyard and other capital projects; (iv) changes in laws and governmental regulations, particularly with respect to environmental matters; (v) the availability of competing offshore drilling vessels; (vi) 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; (vii) the performance of our rigs; (viii) our ability to procure or have access to financing and our ability comply with our loan covenants; (ix) our substantial leverage, including our ability to generate sufficient cash flow to service our existing debt and the incurrence of substantial indebtedness in the future (x) our ability to successfully employ our drilling units; (xi) our capital expenditures, including the timing and cost of completion of capital projects; (xii) our revenues and expenses; (xiii) complications associated with repairing and replacing equipment in remote locations; and (xiv) regulatory or financial requirements to comply with foreign bureaucratic actions, including potential limitations on drilling activities. 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.

Q2 2016 financial results & key highlights

Results for Q2 2016

Net Revenue: $452.6 million

Adjusted EBITDA: $326.5 million

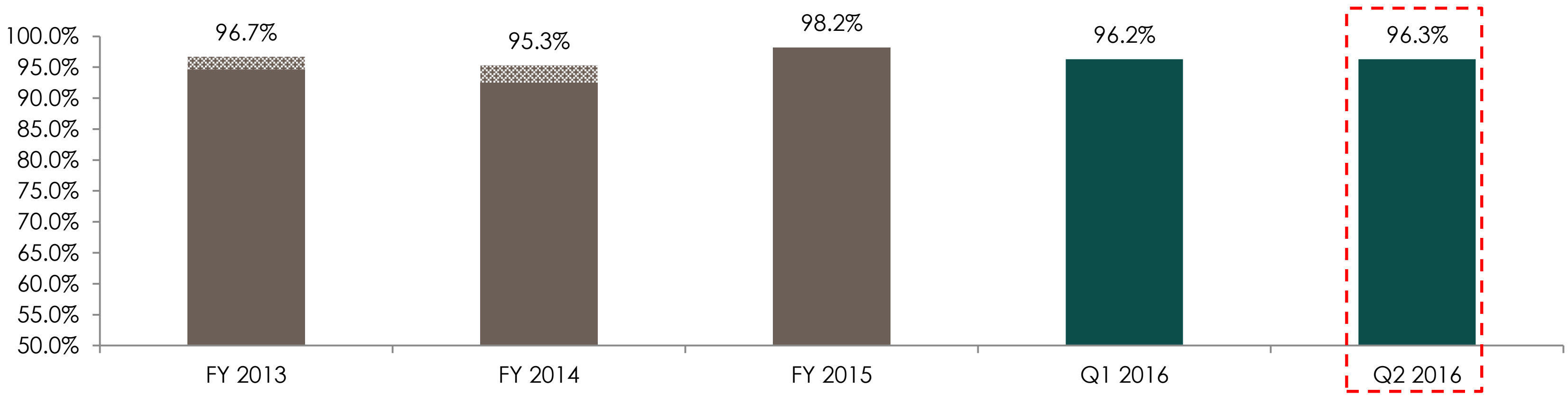
Reported Net Income: $156.1 million or $1.83 per share

Key Highlights

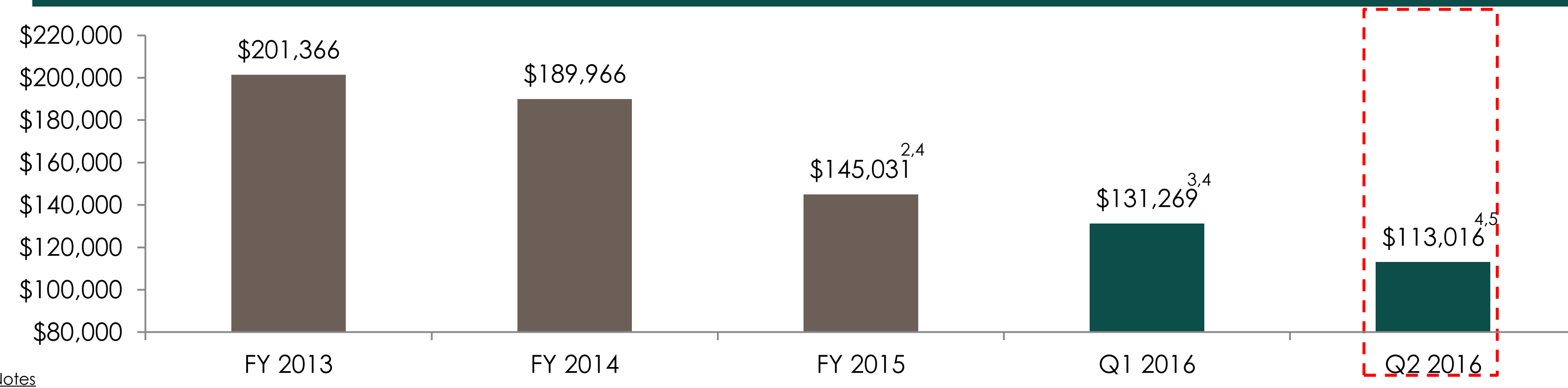
- On August 11, 2016 we reached an agreement with Samsung Heavy Industries ("SHI") related to the construction of our three drillships which provides for the re-scheduling of certain installments, the postponement of the delivery of the first two of these drillships currently under construction and the amendment of certain other terms (including the contract price)
- The Leiv Eiriksson completed, as planned, its 15-year class survey and scheduled equipment and winterization upgrades related to its next contract, and on July 18, 2016 mobilized on location in Norway to commence its previously announced contract with Lundin Norway AS.
- On June 16, 2016, we reached an agreement with Repsol Sinopec to terminate the contract of the *Ocean Rig Mylos* operating offshore Brazil against full payment of the remaining backlog
- On April 27, 2016, we reached agreement with ENI to settle the dispute related to the termination of the contract of the *Ocean Rig Olympia* against a total payment of $54 million and the extension by 81 days for the contract of the *Ocean Rig Poseidon* at a daily gross operating rate of $ 115,000

Strong operational performance & significant cost reductions

Fleet Average Operational Performance[1] Data



Daily Operating Expenses of Units in Operation (direct & onshore opex)



Notes
1) Operational performance calculated based on revenue earning days over available contracted drilling days (i.e. calendar days net of mobilization, acceptance testing, uncontracted/idle and drydock days). Shaded parts indicate extraordinary downtime effect.
2) Opex of units in operation excludes opex of idle units, Skyros and Olympia for the respective idle days. Skyros was idle for Q1, Q2 and Q3 2015 and Olympia for Q2 and part of Q3 2015. Idle units Q3 Opex per day incorporated in the calculations, assumed approximately $32,000.
3) Opex of units in operation excludes opex of idle units, Olympia, Eirik Raude and Apollo for the respective idle days.
4) Does not include Ocean Rig Paros (ex. Cerrado) operating expenses occurred prior to its acquisition by Ocean Rig.
5) Opex of units in operation excludes opex of idle units, Olympia, Eirik Raude, Ocean Rig Paros, Leiv Eiriksson and Apollo for the respective idle days.

Operational & Financial Highlights

Fleet employment profile

- Average contract remaining fixed period of 1.8[1] years
- 100%[1], 68 %[1] calendar days under contract in remaining 2016 and 2017, respectively, for operating fleet
- $2.16 billion revenue backlog[1]

Year	Rem 2016		2017			
	Q3	Q4	Q1	Q2	Q3	Q4
Contract Coverage	100%		68%			
Leiv Eiriksson	Lundin Norway					
Ocean Rig Corcovado	Petrobras (through Q2 2018)					
Ocean Rig Poseidon	Eni					
Ocean Rig Mykonos	Petrobras (through Q1 2018)					
Ocean Rig Skyros	Total (through Q3 2021)					
Ocean Rig Athena	ConocoPhillips					

1) Includes operating fleet only (excluding newbuilding vessels Ocean Rig Santorini, Ocean Rig Crete and Ocean Rig Amorgos and uncontracted units Eirik Raude, Ocean Rig Olympia Ocean Rig Apollo, Ocean Rig Mylos and Ocean Rig Paros ex Cerrado).

Backlog data as of August 10, 2016

Q2 2016- Revenue and operating expenses summary

- During the quarter, we had 973 calendar days of which 380 days were uncontracted and 77 days were class survey days for the Leiv Eiriksson and Poseidon
- Resulting in 516 available contracted drilling days, of which 497 were revenue earning days i.e. 96.3% contracted operating efficiency(1)

	Mobilization/ Uncontracted/Class Survey Days	Available Contracted Drilling Days (a)	Off-hire Days (b)	Revenue Earning Days (a-b)	Contracted Operating Efficiency (1) (c)	Amortization of Deferred Revenues ($ mln)
Total Fleet Q2 2016	**457**	**516**	**19**	**497**	**96.3%**	**$31.7**

- Our daily direct and onshore rig operating expenses this quarter averaged $113,016/unit(2),(3) versus $131,269(2),(4)/unit during Q1 2016, and $148,825(5)/unit during Q2 2015

	Q2 2016 Direct & Onshore Rig Opex(2),(3)		Q2 2016 Amortization of Deferred Opex
	(in USD million)	*($ per day)*	*(in USD million)*
Total / Average Fleet	**$76.1**	**$113,016**	**10.9**

Notes:
(1) Contracted Operating Efficiency defined as Revenue Earning Days over Available Contracted Drilling Days.
(2) Does not include Ocean Rig Paros (ex. Cerrado) operating expenses occurred prior to its acquisition by Ocean Rig.
(3) Opex of units in operation excluding opex of idle units, Olympia, Eirik Raude, Ocean Rig Paros, Leiv Eiriksson and Apollo for the respective idle days.
(4) Opex of units in operation excluding opex of idle units, Olympia, Eirik Raude and Apollo for the respective idle days.
(5) Opex of units in operation excluding opex of idle units, Skyros and Olympia for its respective idle days. Q2 2015 total opex per day, including idle unit Skyros and Olympia were $134,802.

Any differences due to rounding

Income Statement

(Expressed in Millions of U.S. Dollars except for share and per share data)

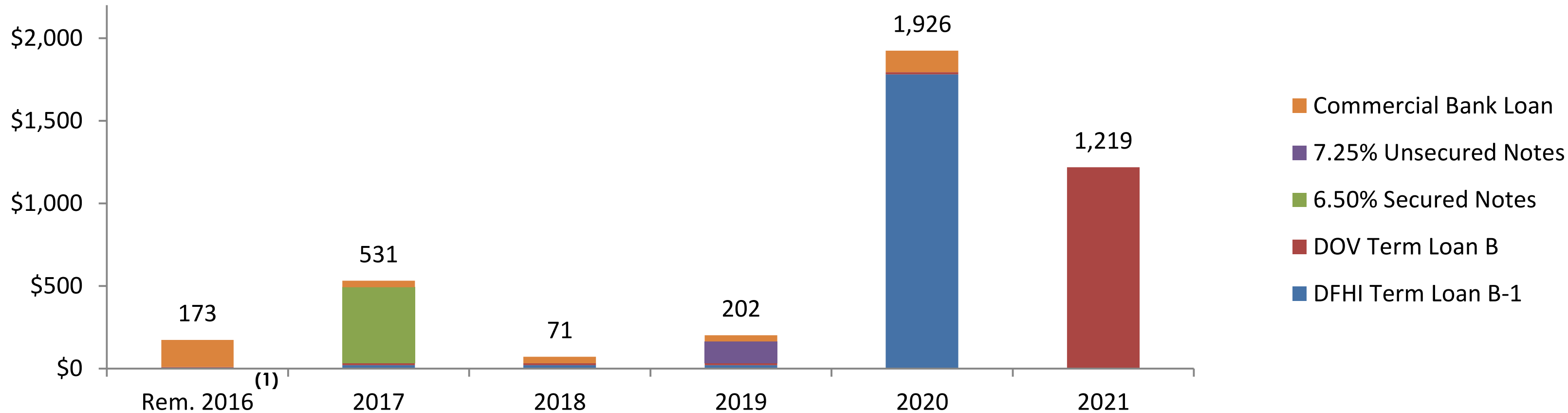
	Q2 2016
REVENUES:	
Revenues, net	*420.9*
Amortization of deferred revenue	*31.7*
Total Revenues	452.6
EXPENSES:	
Direct & onshore rig operating expenses	*78.5*
Maintenance expenses & other items, net	*22.1*
Amortization of deferred operating expenses	*10.9*
Total drilling rig operating expenses	111.4
Depreciation and amortization	82.8
General and administrative expenses	27.0
Other, net	-6.7
Operating income/(loss)	**238.0**
OTHER INCOME/(EXPENSES):	
Net interest and finance costs	-55.0
Gain/(loss) on interest rate swaps	-1.5
Other, net	1.1
Total other expenses	**-55.3**
Income taxes	-26.6
Net income/ (loss)	**156.1**
Earnings/ (loss) per common share, basic and diluted	**$1.83**
Weighted average number of shares, basic and diluted	84,800,384

Balance Sheet

- Weighted average debt maturity of 3.9 years[(1)]
- No near-term maturities; next significant maturity in Q4 2017

	DFHI Term Loan B-1	7.25% Unsecured Notes	6.50% Secured Notes	DOV Term Loan B	Commercial Bank Loan
Amount Outstanding [(1)]	$1,843mil	$131mil	$460mil	$1,274mil	$413 mil
Interest Rate / Coupon	Libor[(2)]+5.00%	7.25%	6.50%	Libor[(2)]+4.50%	Libor[(3)]+2.10%
Annual Amortization [(4)]	$19.0 mil	N/A	N/A	$13.0 mil	$38.9 mil
Earliest Maturity	Q3 2020	Q2 2019	Q4 2017	Q3 2021	Q1 2020

Current maturity profile[(1)]



(1) As of August 10, 2016
(2) Libor floor of 1.00%
(3) 3 month Libor with no floor
(4) Term loans and commercial bank loan amortize quarterly

SHI Agreement

- *Ocean Rig Amorgos* project on hold for the next 18 months
- Postponement of delivery of *Ocean Rig Santorini* and *Ocean Rig Crete* to June 2018 and January 2019 respectively
- Yard instalments due between now and the end of 2017 of $198.5 million to be funded by cash on hand this month
- Moderate increase of the total contract prices of the *Ocean Rig Santorini* and the *Ocean Rig Crete* to $694.8[1] million and $709.6[1] million respectively
- Release of Ocean Rig UDW Inc corporate guarantee

(1) Includes order of seond BOP unit and Change of Orders (CORs). Does not include OFEs

Industry Overview

Market Conditions Continue to Deteriorate

Floaters market is vastly oversupplied[2]

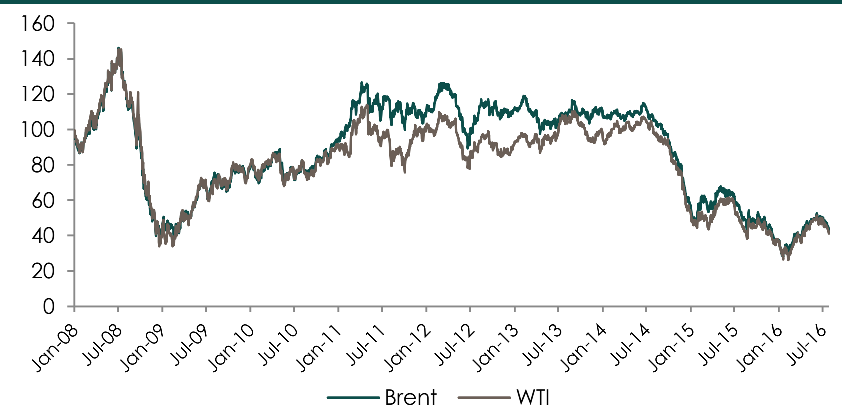
- 59 rigs have already been scrapped[1]
- 125 rigs are idle (42% of current fleet)
  - 63 rigs cold stacked (21% of current fleet)
  - 62 rigs warm stacked (21% of current fleet)
- A total of 68 additional rigs are expected to come off contract during the next 12 months, with no employment prospects available
- Excluding Brazilian and Chinese built units, there is an orderbook of 26 rigs (mainly from Korea & Singapore), 22 of which are uncontracted

Demand for floaters has shrunk massively

- E&P companies have cut their budgets and have focused on preserving cash
- Petrobras has cut its budget by 25% for the next five years
  - $98.4bn investment for the 2015-2019 period
- Drilling contracts are becoming more and more susceptible to cancellations by the oil companies
- To date[2], there have been 48 cancellations of drilling contracts for floater units by the oil companies!
  - 34 of which are for units built after 1997

Sharp decline in oil prices and negative future outlook

- Oil Prices have taken a huge slump on massive oversupply
- Saudi Arabia 2016 budget assumed an oil price of $29/barrel
- Goldman Sachs 2016 oil price forecast analysis predicted an oil price of as low as $20/barrel



(1) Includes rigs announced to be scrapped.
(2) As of July 2016
Source: Clarksons Platou, Fearnleys, Cowen Company, IHS Petrodata, Company Data

Closing Remarks

Closing remarks

- Attractive portfolio of modern drilling units
  - Fleet of 12 modern (6th and 7th generation) UDW drillships and 2 UDW harsh environment semi-submersible rigs
  - Premium high specification standardized assets

- Attractive cash flow
  - Significant contracted cash flow with $2.16 billion backlog(1)
  - No material debt maturities until Oct. 2017

- Preparing for "Lower for Longer Scenario"
  - Focus on further reducing operating costs (~25% opex decrease over the last 12 months)
  - Focus on maintaining high operating efficiency (~96.3% for Q2 2016)
  - Focus on cash management and de-levering
  - Hired advisors (Evercore Partners) to assist the Company in evaluating all its options

(1) Backlog as of August 10, 2016

Appendix

Pure-play ultra-deepwater driller with premium assets

Harsh environment UDW semis

5th generation semisubmersibles

Leiv Eiriksson

Eirik Raude

- Built at Dalian/Friedman Goldman Irving
- Up to 10,000 ft. water depth capacity
- Up to 30,000 ft. drilling depth capacity
- Equipped to operate in both ultra-deepwater and harsh environment
- Winterized for operations in extreme climates, ideal for development drilling

Sister drillships provide benefits from standardization

Four 6th and four 7th generation drillships

Corcovado, Olympia, Poseidon, Mykonos, Paros

Mylos, Skyros, Athena, Apollo

- Built at Samsung Heavy Industries
- Sister drillships with common equipment, spare parts and training standards
- Up to 10,000-12,000 ft. water depth capability
- Up to 40,000 ft. drilling depth capability with 6 and 7 ram BOPs
- Dual derricks for increased drilling activity/efficiency
- Accommodations for up to 215 personnel on board
- *Ocean Rig Mylos* equipped with dual BOPs
- *Ocean Rig Corcovado* & *Ocean Rig Mykonos* MPD-ready upgrade paid by client

Liquidity & capital structure

(in $ million)	*June 30, 2016*
Total cash	883.6
Senior Secured Term Loan B Facility[1]	1,253.1
B-1 Term Loans[1]	1,809.4
6.50% senior secured notes due 2017[1]	456.5
7.25% senior unsecured notes due 2019[1]	129.6
Senior Secured Credit Facility[1]	409.0
Total debt [1]	4,057.6
Total shareholders' equity	3,670.1
Total capitalization	7,727.7
Net Debt	3,174.0
Debt to capitalization	52.5%
Net Debt to Capitalization	41.1%

(1) Net of capitalized financing fees.

Projected deferred revenue & expense amortization

As of August 1, 2016

(USD million)	Q1A 2016	Q2EA 2016	Q3E 2016	Q4E 2016	FY 2016
Amortization of deferred revenues	79.1	31.7	13.3	13.3	137.5
Amortization of deferred expenses	28.3	10.9	11.8	12.7	63.7

Includes current accounting schedule and projected additions from future mobilizations

Definitions

Deferred Revenues include lump sum fees received related to mobilization, capital expenditures reimbursable for contract related rig upgrades etc. These revenues are capitalized and amortized through the duration of the contract.

Deferred Expenses include costs (recurring operating expenses, tug boats & helicopter rentals etc.) incurred during mobilization, capital expenditures for contract related rig upgrades etc. These costs are capitalized and amortized through the duration of the contract.

Mobilization revenue based on current estimates; actual revenue and actual expenses will differ from projections. Our projections for mobilization days will differ from actual mobilization days.
Mobilization expenses based on estimated mobilization days indicatively multiplied by $150,000/day estimated operating expenses.
Differences due to rounding,

Balance Sheet

(Expressed in Thousands of U.S. Dollars)	December 31, 2015	June 30, 2016
ASSETS		
Cash, cash equivalents and restricted cash (current and non-current)	$ 747,485	$ 883,635
Other current assets	500,637	419,218
Advances for drilling units under construction and related costs	394,852	420,912
Drilling units, machinery and equipment, net	6,336,892	6,248,584
Other non-current assets	40,354	17,461
Total assets	8,020,220	7,989,810
LIABILITIES AND STOCKHOLDERS' EQUITY		
Total debt, net of deferred financing costs	4,328,468	4,057,592
Total other liabilities	416,987	262,123
Total stockholders' equity	3,274,765	3,670,095
Total liabilities and stockholders' equity	$ 8,020,220	$ 7,989,810