Aban Offshore Limited

March 2010

Corporate Presentation

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Aban Offshore Limited – Key Highlights

Promoted by Mr. M.A.Abraham in 1986, a first generation entrepreneur and has transformed into the largest Indian private offshore drilling company in India

Among the 10 largest offshore drilling service providers in the world based on number of rigs (1)

Operating in a recovering industry environment; Improved outlook for oil prices and drilling capex

Young and technically superior fleet from reputed yards; 45% of the fleet is less than 4 years old and most of the other rigs have undergone refurbishment in the last 3-4 years

Long term contracts at attractive rates; diverse client base comprising domestic and international oil and gas companies

Highly experienced management and operating team

Impressive historical revenue growth with higher EBITDA margin amongst certain operators; Strong order backlog of US$ 2,058 million as on January 31, 2010

(1) Source: ODS-Petrodata Offshore Rig Monthly August 2009 and Company information.

Creating Value Through Continuous Growth

1986
- Aban Offshore Limited ("AOL") established

1987
- Launch of contract drilling services; contract with ONGC for 2 jack-up drilling rigs

1992
- Acquired a 300-ft. jack-up rig from Mahindra & Mahindra

1994
- Investment in renewable energy (wind)
- Current capacity of 68.5 MW

2001
- Acquired Hitech Drilling Services, a Tata Group Company; portfolio of 4 rigs
- Enables AOL to enter the FPSO[(1)] business with the FPU 'Tahara' owned by Hitech

2005
- 2 jack-up rigs (Aban V and Aban VI) and 1 drill ship (Aban Ice) added to portfolio
- Launched Aban Singapore Pte Ltd. (ASPL) as a vehicle for international operations
- Placed order for a new premium jack-up rig Aban VIII

2006
- Purchased Aban Abraham
- Acquired 40% in Norway based Sinvest for US$2 billion
- Portfolio of 3 jack-ups rigs (Deep Drill 1, 2, 3), 5 jack-up rigs on order and a 50% interest in a drill ship Deep Venture

2007
- Completed 100% acquisition of Sinvest
- Aban Pearl added to portfolio

2009
- Took delivery of 4 new vessels (Deep Drill 6,7,8 and Aban VIII) in FY08-09
- Fleet of 19 offshore drilling rigs and 1 FPU placing AOL among the leading offshore drilling asset owners in the world

(1) FPSO – Floating production, storage and offloading.

Research Views

9% growth in spending likely in 2010, driven by NOCs. Oil price stabilization and cost reductions have been the main determinants for the spending. Oil price is in the high end of the oil companies comfort zone at $75/bbl, and the cost level has been reduced during 2009, leading the oil companies to revise their spending budgets upwards.

Upside potential in 2010 spending. Contrary to the 2009 E&P report released in August 2009, the potential is now on the upside. This is driven by the cash flow generated by the oil companies due to higher oil prices than budgeted.

Oil price expectations revised up. The oil companies have revised their oil price expectations up by 10% for 2010 to $68/bbl and slightly upwards for 2011 and long-term. Price stabilization will be important to boost confidence.

- DnB Nor Markets, 1st February 2010

Current drilling economics, indications of interest in the marketplace and history all suggest that the market should tighten with pricing moving higher, especially relative to muted expectations.

- Deutsche Bank , 5 February 2010

Research Views

The oil price is up from 45 USD/bbls a year ago to the current level at around 70 USD/bbls. Announced budgets for 2010 so far point towards a baseline 6% increase in 2010 E&P spending. The independent oil companies are expected to increase spending by ~15%. National oil companies are likely to increase spending by around 5%, while majors are projected to be flat. In our view this bodes well for increased activity within jackups and midwater floaters, where the independents have a relatively higher market share than within ultra deepwater drilling.

- Pareto Securities, 10 February 2010

Recent acceleration in jackup fixtures to normal levels, faster than anticipated, can bring jackup utilization to 85% by mid-year and 95% by year-end. We expect jackup utilization above 85% to provide a backdrop for firmer pricing.

- Morgan Stanley, 19 February 2010

Portfolio Overview

	Water Depth / Drilling Depth	Year Built (Last Refurbished)	Location / Geography	Rate ('000 USD)	Contract End
Drillship – Aban Abraham	6,600 / 25,000	1976 (2009)	West Africa	300	Apr-10
Drillship – Aban Ice	1,000 / 20,000	1975 (2009)	India	134	Sep-12
Drillship – Deep Venture [(2)]	4,200 / 20,000	1981 (2007)	West Africa	525	Feb-11
FPU – TAHARA	800 / NA	1973 (1997)	India	49	Jan-11
Jack-up – Aban II	250 / 20,000	1981(2007)	India	78	May-10
Jack-up – Aban III	300 / 20,000	1974 (2003)	India	157	Apr-11
Jack-up – Aban IV	300 / 25,000	1983 (1999)	India	157	Jan-11
Jack-up – Aban V	300 / 25,000	1982 (2002)	India	157	May-11
Jack-up – Aban VI	250 / 20,000	1975 (2002)	Middle East	83	Jan-14
Jack-up – Aban VII	250 / 20,000	1973 (2006)	--	--	Under Marketing
Jack-up – Aban VIII	375 / 30,000	2008	Middle East	170	Jun-12
Jack-up – Deep Driller 1	375 / 30,000	2006	--	--	Under Marketing
Jack-up – Deep Driller 2	350 / 35,000	2006	Middle East	177	Oct-12
Jack-up – Deep Driller 3	350 / 35,000	2006	Malaysia	165	Oct-12
Jack-up – Deep Driller 4	375 / 30,000	2007	Middle East	177	Oct-12
Jack-up – Deep Driller 5	350 / 35,000	2007	Middle East	177	Sep-12
Jack-up – Deep Driller 6	350 / 35,000	2008	--	--	Under Marketing
Jack-up – Deep Driller 7	375 / 30,000	2008	Mexico	106	Dec-11
Jack-up – Deep Driller 8	350 / 35,000	2009	--	--	Under Marketing
Semi-sub Aban Pearl	1,250 / 25,000	1977 (2009)	Venezuela	358	Jan-15

AOL's Fleet Located in Strategic Geographical locations

Aban owns and operates a young fleet with 9 new rigs built in 2006 or later; The fleet comprises 15 Offshore Jack-up Rigs, an FPSO, 3 Drill ships and an FPU.

RIG: Deep Driller 2
Location: Middle East
Specs: 350' IC
Age: 3 / -

RIG: Deep Driller 4
Location: Middle East
Specs: 375' IC
Age: 2 / -

RIG: Deep Driller 5
Location: Middle East
Specs: 350' IC
Age: 2 / -

RIG: Aban VIII
Location: Middle East
Specs: 375' IC
Age: 1 / -

RIG: Aban VI
Location: Middle East
Specs: 250' IC
Age: 34 / 7

RIG: Aban II
Location: India
Specs: 250' IS
Age: 28 / 2

RIG: Aban VII
Location: Under Marketing
Specs: 250' IC
Age: 36 / 3

RIG: Deep Driller 1
Location: Under Marketing
Specs: 375' IC
Age: 3 / -

RIG: Deep Driller 6
Location: Under Marketing
Specs: 350' IC
Age: 1 / -

RIG: Deep Driller 7
Location: Mexico
Specs: 375' IC
Age: 1 / -

RIG: Aban Pearl
Location: Venezuela
Specs: 1,250' SS
Age: 32 / 0

RIG: Aban Abraham
Location: West Africa
Specs: 6,600' DS
Age: 33 / 0

RIG: Deep Venture
Location: West Africa
Specs: 4,200' DS
Age: 28 / 2

RIG: Aban III
Location: India
Specs: 300' IC
Age: 35 / 6

RIG: Aban IV
Location: India
Specs: 300' IC
Age: 26 / 10

RIG: Aban V
Location: India
Specs: 300' IC
Age: 27 / 7

RIG: Deep Driller 8
Location: Under Marketing
Specs: 350' IC
Age: 0 / -

RIG: Aban Ice
Location: India
Specs: 1,000' DS
Age: 34 / 0

RIG: Deep Driller 3
Location: Malaysia
Specs: 350' IC
Age: 3 / -

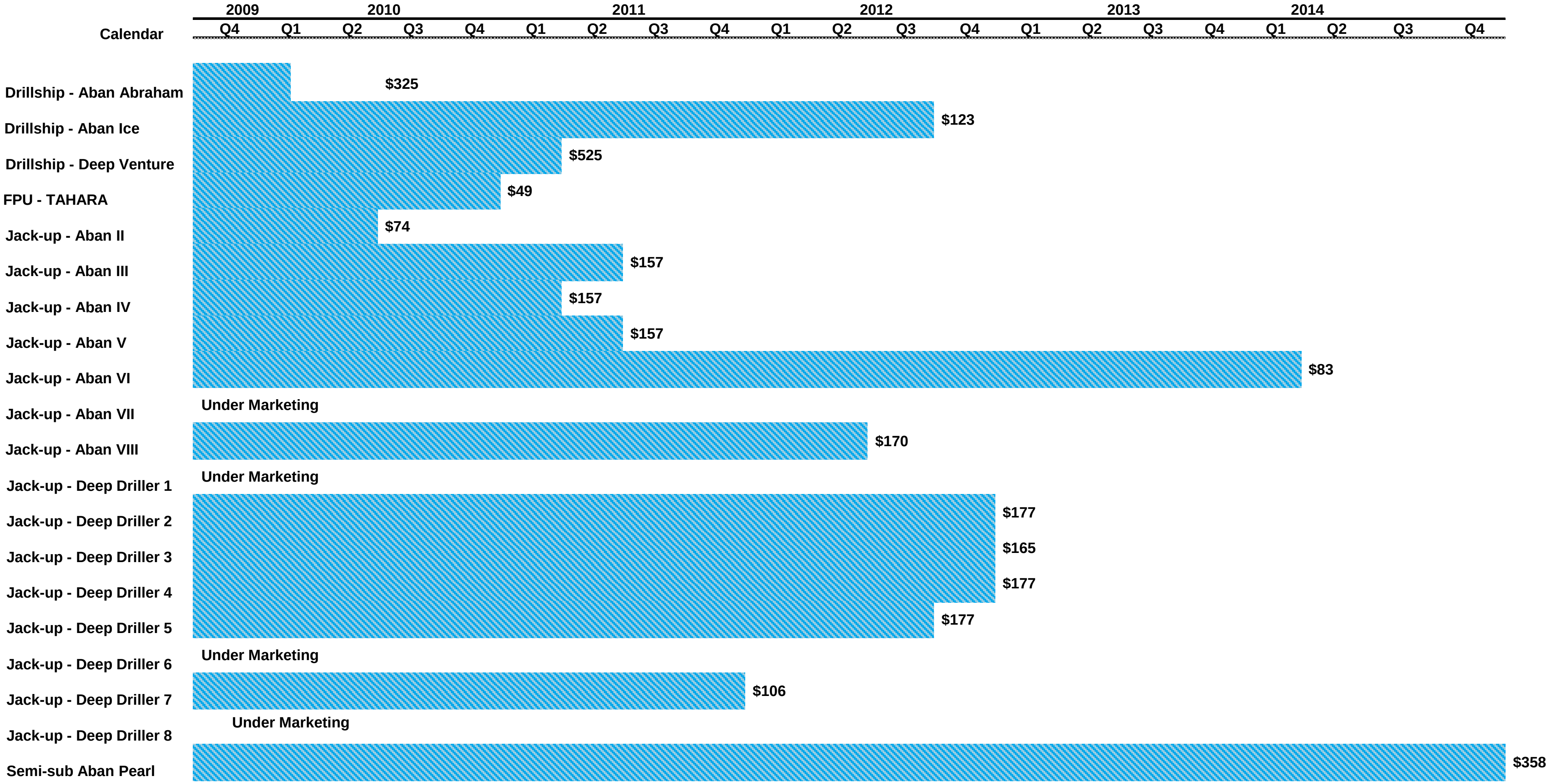
RIG: Tahara
Location: India
Specs: FPU
Age: 36 / 12

Source: Company

Age: Number of years from manufacture date / Number of years from last refurbishment date

Long-term contracts

Long term contracts resulting in stable cash flow for near future.



Note: The figures at the end of each bar represent the per day US$ ‘000 rate at which these rigs are contracted

Strong Management & Operating Team

Senior Management	Designation	
Mr. V. S. Rao	Chairman	• Experience: Over 42 years in the industry. A member of the board since 1991, was designated as Chairman of the Board in 2005
Mr. P. Murari	Vice Chairman	• Experience: Senior positions in the Government of India and Government of the State of Tamil Nadu. He has been a member of the Board since 1996
Mr. Reji Abraham	Managing Director	• Qualifications: Graduate in Engineering and a post graduate in Management Studies • Experience: Over 16 years of experience in the Industry. Joined the Board in 1994 and was appointed as a whole-time director in 1997 and promoted to Managing Director in 2004
Mr. Satish Chandra Gupta	Director	• Qualifications: Post graduate in Commerce • Experience: Over 35 years in all the areas of banking. Prior to Aban, he was the head Punjab National Bank
Mr. K. Bharathan	Director	• Qualifications: Chartered Accountant • Experience: Over 32 years in commercial and development banking and insurance
Mr. K. M. Jaya Rao	Nominee Director ICICI Bank Ltd	• Qualifications: Graduate in Engineering • Experience: Over 27 years in banking
Mr. P. Venkateswaran	Deputy Managing Director	• Qualifications: Graduate in Engineering (Indian Institute of Technology, Madras) • Experience: Over 34 years in operations. He was appointed as Deputy Managing Director in 2007
Mr. C.P. Gopalkrishnan	Deputy Managing Director & Secretary	• Qualifications: Chartered Accountant and a graduate in Law • Experience: Over 28 years in finance. He was Appointed as Deputy Managing Director in 2007 and is an associate of Company Secretaries of India

Key Operating Personnel	Designation	
Mr. A. P. S. Sandhu	Chief Operating Officer	• Qualifications: Graduate in Engineering • Experience: Over 30 years in drilling and oil field services. Prior to Aban he was working with ONGC
Mr. Larry Albert Noel Austin	Operations Manager Jackups	• Qualifications: Graduate in Electrical Engineering (Norther Alberta Institute , Canada) • Experience: Over 30 years in the drilling industry. Prior to Aban he has worked with Global Santa Fe, Seadrill, Dixilynn, Smedvig, Tera Nova & Texaco Global
Mr.S. Srinivasan	Vice President Corporate Planning	• Qualifications: Graduate in Chemical Engineering (Indian Institute of Technology Chennai) and a Management graduate (Indian Institute of Management, Calcutta) • Experience: Over 18 years in corporate finance, project financing and equity markets. Prior to Aban he was working with ICICI Bank
Mr. V. Ramasubramanian	General manager Business Development	• Qualifications: Graduate in Technology in Mechanical Engineering, post graduate in Diploma Management • Experience: Over 18 years in business development, marketing and operations in engineering industry. Prior to Aban he was working with ArcelorMittal
Mr. Adrian Grey	QC HSE Manager	• Qualifications: Graduate in Business Administration (Royal Military College UK) • Experience: Over 37 years in the drilling industry in the filed of compliance, quality, health and safety. Prior to Aban, he has worked with companies like IADC, Transocean, Amoco
Mr. Vijay Saheta	General Manager Finance	• Qualifications: Chartered Accountant • Experience: Over 19 years in accounts, taxation, insurance and finance
Mr. Narayanan Venkatramanan	General Manger Finance	• Qualifications: Chartered Accountant • Experience: Over 20 years in accounts, taxation and finance
Mr. Alun Roberts	Operations Manager Floaters	• Experience: Over 40 years in the drilling industry. Prior to Aban he has worked with companies like Global Santa Fe, Transocean, Robertson Research and IDC

AOL – Strategy For Future

- Focus on cash flow generation by increasing utilisation levels
- Deleverage and strengthen our balance sheet
- Focusing on new markets
- Pursue strategic growth opportunities in the longer term
- Continue to focus on health, safety and environment standards

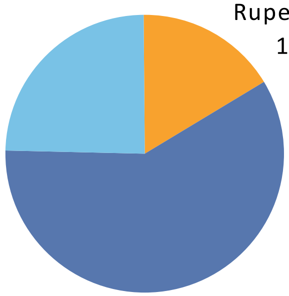
Overview of Financial Performance

	FY2009	FY2010 / Outlook
Industry Events	• Sharp decline in oil prices from high of US$147 / barrel to low of US$35 / barrel • Lack of funds for onward investment in E&P sector • Reduction in rig leasing activity and impact on rates	• Increase in drilling activity • Improvement in contract day rates • Global demand expected to rebound by ~7% in 2010 (largely led by non OPECD countries)
AOL Progress – **Fleet Status**	• 4 new builds delivered • Aban Abraham upgradation project completed • 5 year contract for Aban Pearl • 2 new builds placed on long term contracts	• Aban Ice refurbishment completed and contracted for 3 years • Long term contracts for 4 new builds • Aban Abraham and Aban Pearl commence their operations
AOL Progress – **Others**	• 49% revenue growth over FY08	• Debt refinancing resulting in debt maturities for longer term of upto 10 years

Improved Debt Outlook

Debt Profile (1)

Total Debt of: INR 166 bn / ~US$3,279 (1) mn



Loan Description	US$ mn
Rupee Loans	551
Foreign Currency Term Loan	1,917
Notes and Bonds Loans	811
Total	**3,279**

Debt Repayment Schedule

US$ mn - FY	2010	2011	2012	2013	2014	2015–2019
Loan / Bond Amortisations	148	196	268	298	342	1,107
Loan / Bond Bullet Repayments	187	160	374	80	–	46
Total Repayments	335	356	642	378	342	1,226

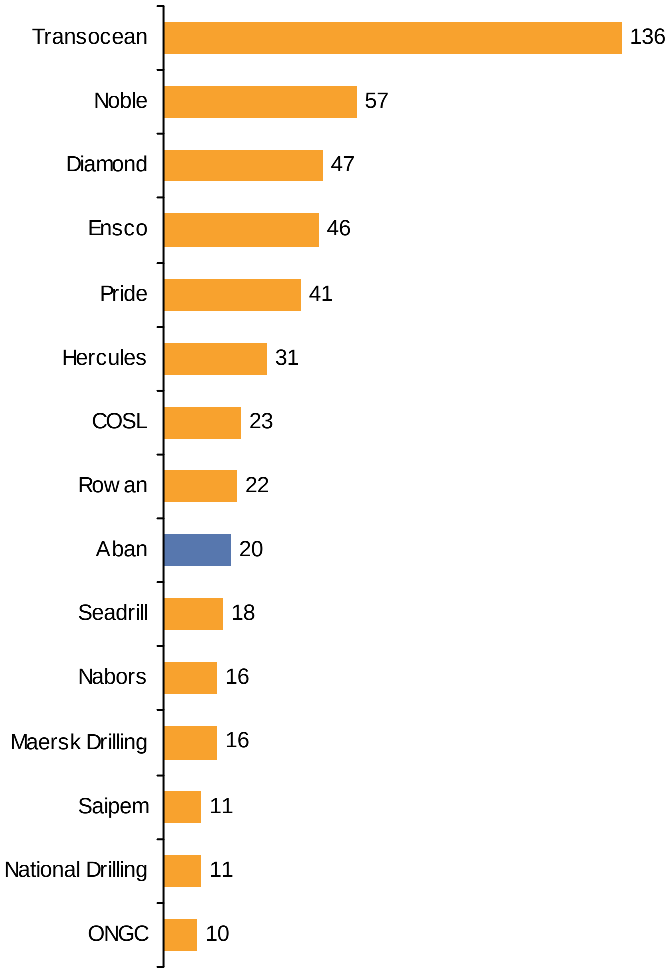
Key Highlights

- Debt repayment relatively spread-out over 10 years with no large repayments falling due in any year
- Bank loans (rupee as well as foreign currency) largely from Indian banks, who have been supportive of the Company's growth

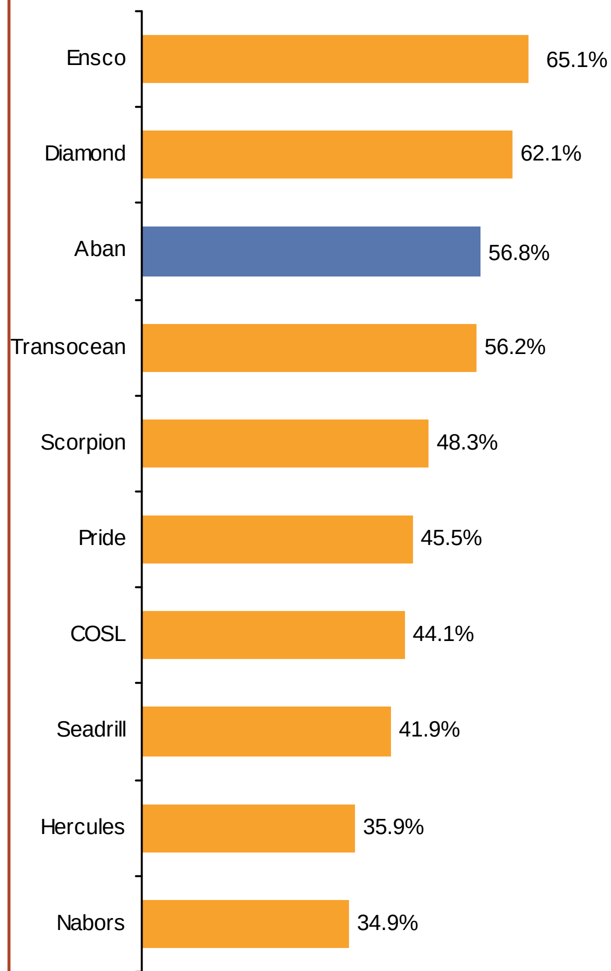
(1) Debt as of March 31, 2009
(2) FX Rate INR / US$: 50.73 (March 31, 2009)

Benchmarking with Peers

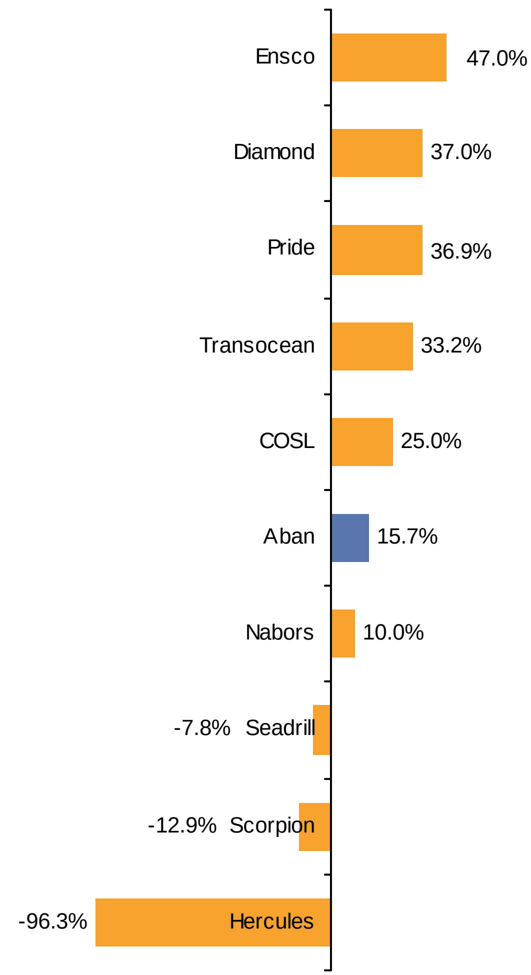
Fleet size [1]



EBITDA Margin [2]



PAT Margin [2]



(1) Source: ODS-Petrodata Offshore Rig Monthly August 2009 and Company information
(2) EBITDA and PAT margins for the last financial year ended from company annual reports

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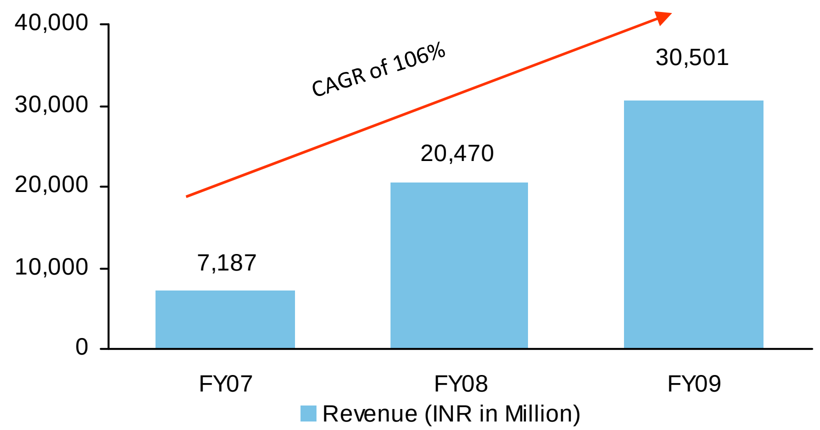
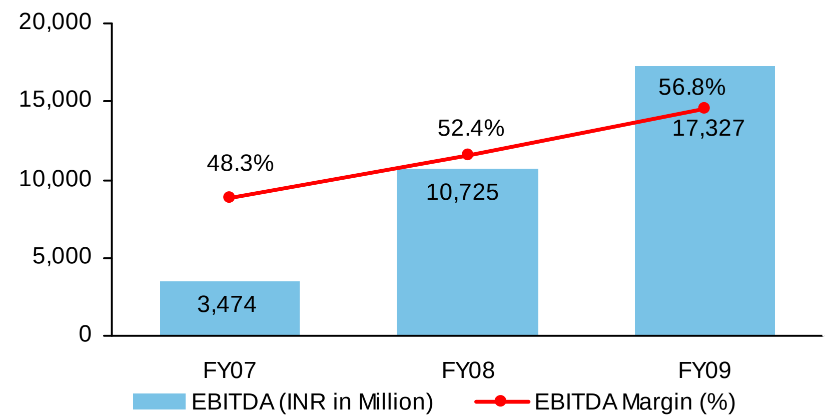
Historical Growth Overview – AOL Consolidated

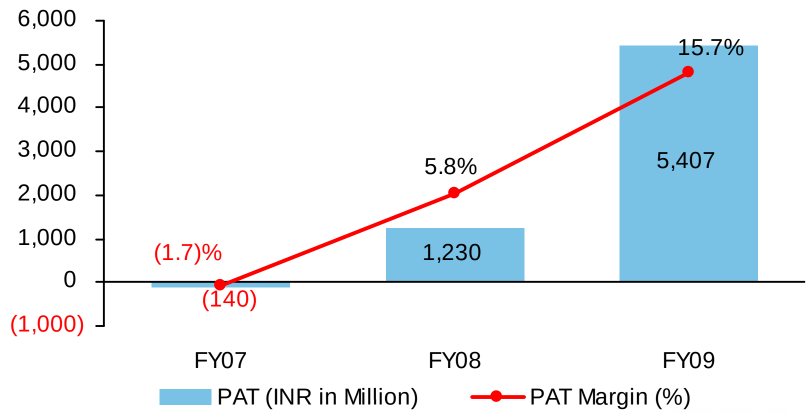
Revenue (1)



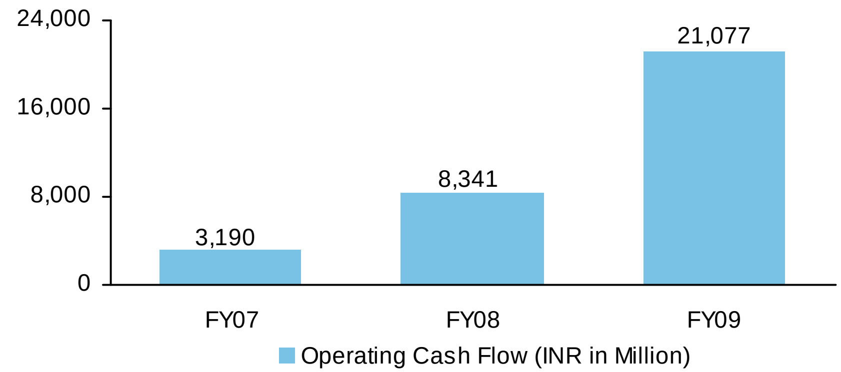
EBITDA and EBITDA Margin (1)



Profit After Tax (2)



Operating Cash Flow (3)



(1) Excludes Other Income of INR 4,043 mm (FY 09), 880 mm (FY 08) and 881 mm (FY 07)
(2) Represents profits after tax and minority interest (including other income). PAT margin computed on revenues (including other income)
(3) Represents net cash from operating activities (post taxes and working capital changes)

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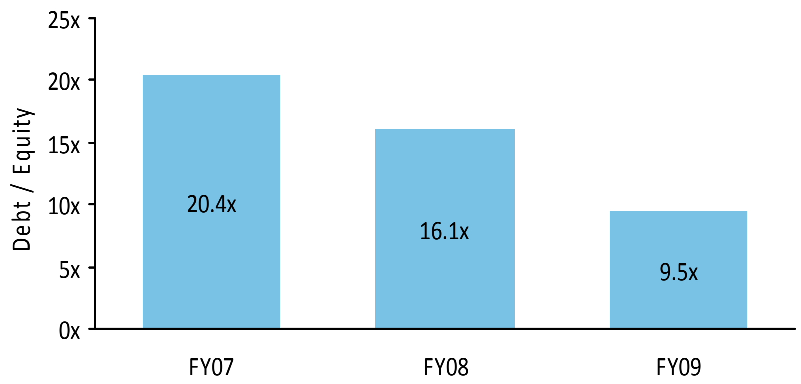
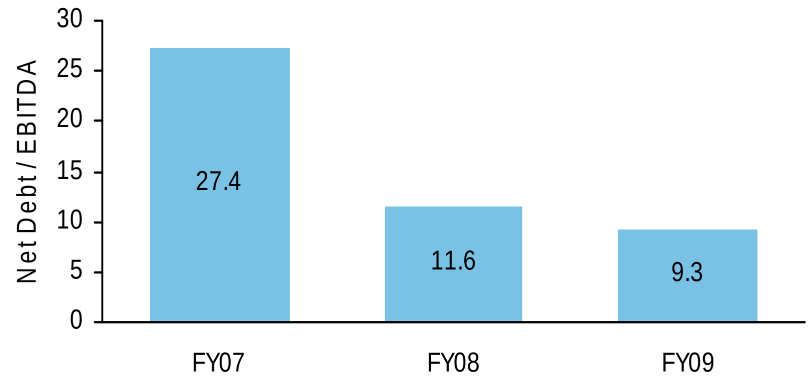
Leverage and Returns Profile – AOL Consolidated

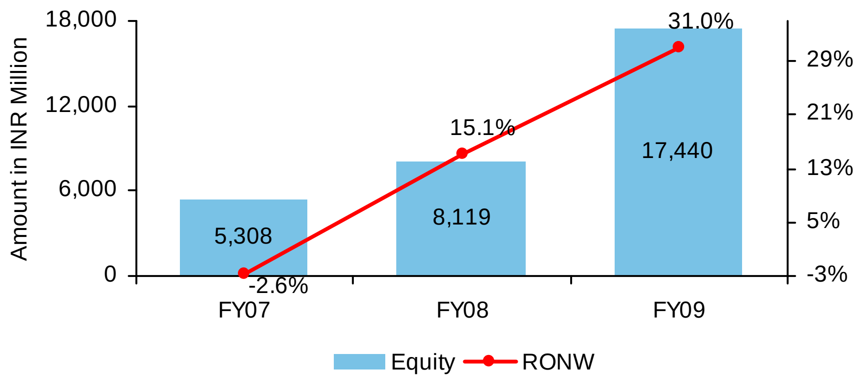
Debt to Equity [1,2]



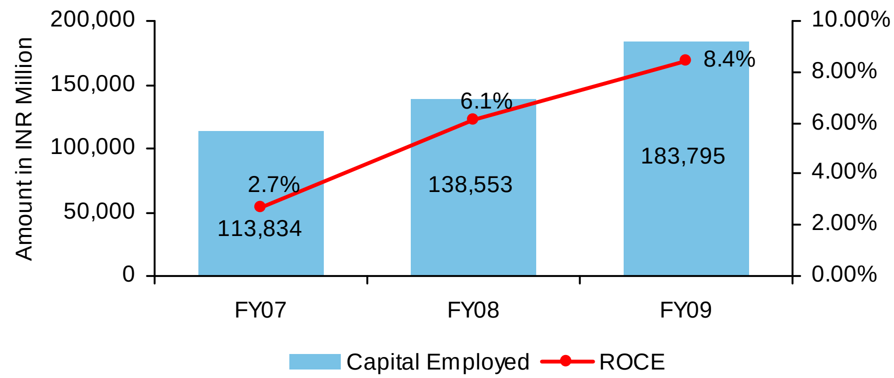
Net Debt to EBITDA



Return on Net Worth (RONW) [3,5]



Return on Capital Employed (ROCE) [4,5]



(1) Equity represents Share Capital and Reserve and Surplus
(2) Debt Includes Secured and Unsecured Loans
(3) Return on Net Worth = PAT / Equity
(4) Return on Capital employed = EBIT / (Equity + Loan Funds)
(5) All figures are for financial year end

QIP 2009

Raised equity capital of Rs 698 Crores in November 2009 by way of a QIP

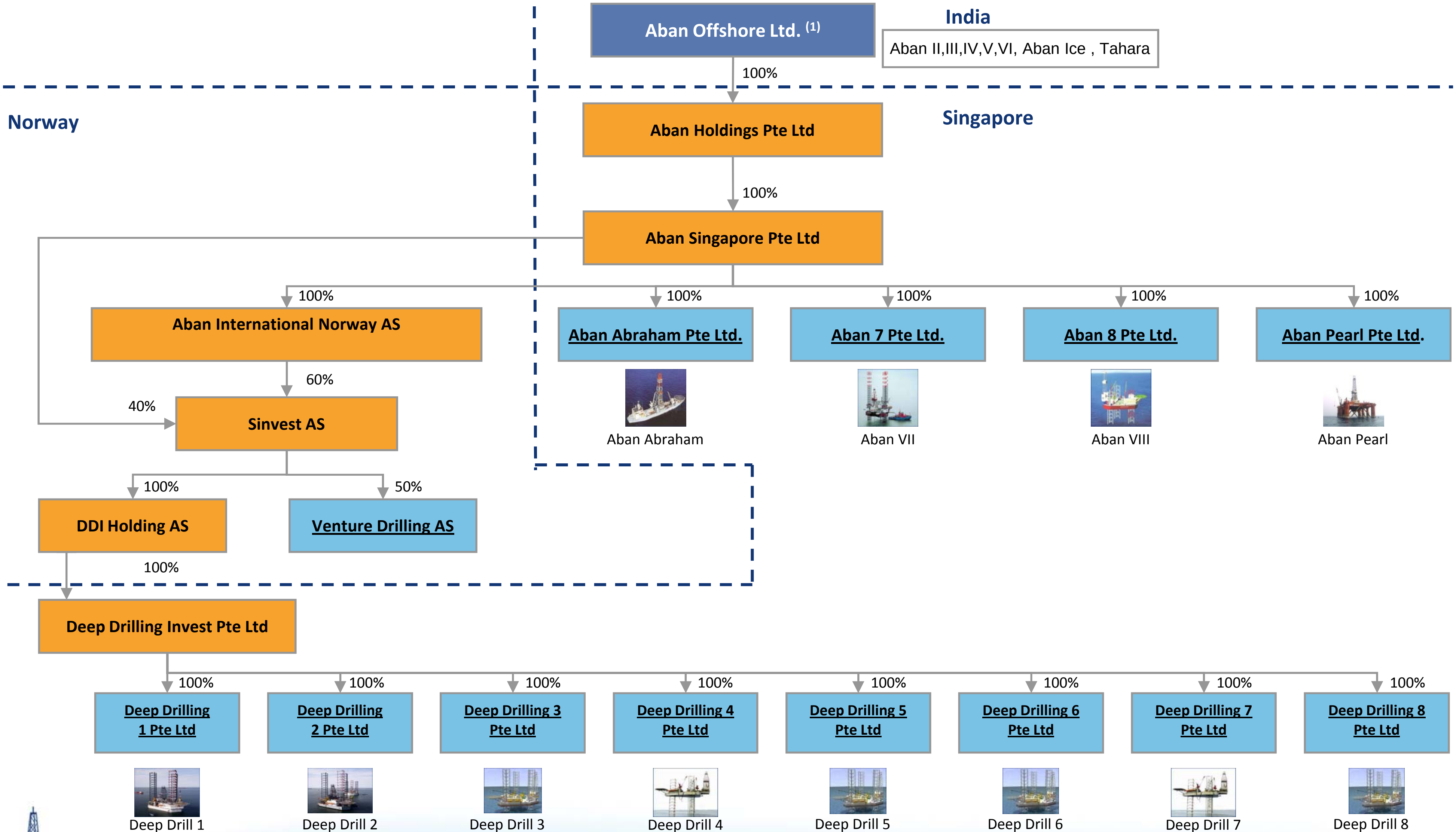
Subscribed to mainly by Indian mutual funds & FIIs

Strengthened the Balance Sheet significantly

Improvement in leverage ratios

Likely to boost the confidence of bankers

Group Structure



Note: Text underlined are rig owning companies aban Aban Offshore Limited

Thank You