



NEWS RELEASE

Ensco plc Announces Additional Cost Saving Measures

9/8/2015

Streamline Global Operations Reporting Structure
Reduce Onshore Workforce in Conjunction with Fleet Restructuring
Lower Offshore Unit Labor Costs
Improve Expense Outlook

LONDON--(BUSINESS WIRE)-- Ensco plc (NYSE: ESV) announced today that it has taken additional proactive steps to improve efficiencies and reduce expenses:

- streamline global operations reporting structure from five to three business units
- reduce onshore support positions by an additional 14% to achieve an incremental \$30 million of annualized savings (full run rate to begin fourth quarter 2015); total annualized run-rate savings from onshore rightsizing increases to \$57 million given previously announced savings of \$27 million annually reported in February 2015
- increase offshore unit labor cost savings to 15% (full run rate to begin first quarter 2016) from previous estimate of nine percent reported in February 2015
- further reduce average warm-stack costs per day for marketed rigs: \$40,000 for drillships, \$32,000 for semisubmersibles and \$20,000 for jackups.

Based on these actions, the expense outlook has improved. Excluding severance costs and related expenses of approximately \$5 million, third quarter 2015 contract drilling expense is estimated to be \$450 million - \$455 million.

The initial contract drilling expense outlook for fourth quarter 2015 is approximately \$435 million - \$440 million. The projected quarter-to-quarter sequential decrease in contract drilling expense is due to proactive expense management that more than offsets an estimated increase in rig operating days. Fourth quarter 2015 reported fleet

utilization is estimated to increase from third quarter 2015 to the high-60% range and will benefit from ENSCO DS-8 commencing its initial contract in mid-November 2015.

Chief Executive Officer and President Carl Trowell said, "We recently streamlined our global operations reporting structure and have taken additional steps to reduce expenses. In total, the actions we have taken year to date to reduce onshore support positions will generate a combined savings of \$57 million on an annual basis. Steps taken to adjust discretionary compensation plans will reduce offshore unit labor costs by a total of 15% compared to 2014 levels." Trowell added, "Disciplined expense management of marketed warm-stacked rigs will also generate incremental savings."

Streamlining Business Unit Reporting Structure

The market downturn has disproportionately impacted two regions: Brazil and Asia-Pacific. As a result, we have consolidated our global operations reporting structure from five business units to three:

- Brazil will report to the North & South America Business Unit based in Houston
- Asia-Pacific will report to the Middle East, Africa, Asia & Pacific Business Unit based in Dubai
- Europe and the Mediterranean Business Unit is unchanged and continues to be based in Aberdeen.

This reporting structure consolidation does not change our commitment to the Brazil and Asia-Pacific markets, both of which have significant long-term growth potential. In conjunction with this business unit restructuring, we further reduced onshore positions and centralized certain support functions.

Enscopl (NYSE: ESV) brings energy to the world as a global provider of offshore drilling services to the petroleum industry. For more than 27 years, the company has focused on operating safely and going beyond customer expectations. Enscopl is ranked first in total customer satisfaction in the latest independent survey by EnergyPoint Research - the fifth consecutive year that Enscopl has earned this distinction. Operating one of the newest ultra-deepwater rig fleets and the largest premium jackup fleet, Enscopl has a major presence in the most strategic offshore basins across six continents. Enscopl is an English limited company (England No. 7023598) with its registered office and corporate headquarters located at 6 Chesterfield Gardens, London W1J 5BQ. To learn more, visit our website at www.enscoplc.com.

Statements contained in this press release that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements include words or phrases such as "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "could," "may," "might," "should," "will" and similar words and specifically include statements regarding expected financial performance and contract drilling expense and other expense outlook, benefits derived from expense management actions, warm-stack costs, fleet utilization, day rates and backlog; the timing of delivery, mobilization, contract commencement, relocation or other movement of rigs; and general market,

business and industry conditions, trends and outlook. Such statements are subject to numerous risks, uncertainties and assumptions that may cause actual results to vary materially from those indicated, including commodity price fluctuations, customer demand, new rig supply, downtime and other risks associated with offshore rig operations, relocations, severe weather or hurricanes; changes in worldwide rig supply and demand, competition and technology; future levels of offshore drilling activity; governmental action, civil unrest and political and economic uncertainties; terrorism, piracy and military action; risks inherent to shipyard rig construction, repair, maintenance or enhancement; possible cancellation, suspension or termination of drilling contracts as a result of mechanical difficulties, performance, customer finances, the decline or the perceived risk of a further decline in oil and/or natural gas prices, or other reasons; the outcome of litigation, legal proceedings, investigations or other claims or contract disputes; governmental regulatory, legislative and permitting requirements affecting drilling operations; our ability to attract and retain skilled personnel on commercially reasonable terms; environmental or other liabilities, risks or losses; debt restrictions that may limit our liquidity and flexibility; our ability to realize the expected benefits from our redomestication and actual contract commencement dates; cybersecurity risks and threats; and the occurrence or threat of epidemic or pandemic diseases or any governmental response to such occurrence or threat. In addition to the numerous factors described above, you should also carefully read and consider "Item 1A. Risk Factors" in Part I and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II of our most recent annual report on Form 10-K, as updated in our subsequent quarterly reports on Form 10-Q, which are available on the SEC's website at www.sec.gov or on the Investor Relations section of our website at www.enscoplc.com. Each forward-looking statement speaks only as of the date of the particular statement, and we undertake no obligation to publicly update or revise any forward-looking statements, except as required by law.

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