Investor Presentation

August 2019

Forward-Looking Statements

Statements contained in this investor presentation 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 involving expected financial performance, effective tax rate, expected expense savings, day rates and backlog, estimated rig availability; rig commitments and contracts; contract duration, status, terms and other contract commitments; estimated capital expenditures; letters of intent or letters of award; scheduled delivery dates for rigs; the timing of delivery, mobilization, contract commencement, relocation or other movement of rigs; our intent to sell or scrap rigs; and general market, business and industry conditions, trends and outlook. In addition, statements included in this investor presentation regarding the anticipated benefits, opportunities, synergies and effects of the merger between Ensco and Rowan are forward-looking statements. Such statements are subject to numerous risks, uncertainties and assumptions that may cause actual results to vary materially from those indicated, including actions by rating agencies or other third parties; actions by our security holders; costs and difficulties related to the integration of Ensco and Rowan and the related impact on our financial results and performance; our ability to repay debt and the timing thereof; availability and terms of any financing; 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, including terminations for convenience (without cause); the cancellation of letters of intent or letters of award or any failure to execute definitive contracts following announcements of letters of intent, letters of award or other expected work commitments; 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; tax matters including our effective tax rate; and cybersecurity risks and threats. 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 Investors section of our website at www.valaris.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.

Outline

1. Company Highlights
2. Market Dynamics
3. Fleet Overview
4. Financial Management
5. Operational Highlights

Valaris Rebranding

Strategic Positioning

- Establish capabilities as a larger, more global offshore driller
  - Technologically-advanced, highly capable fleet of deep- and shallow-water rigs
  - Largest global footprint
  - Focus on operational efficiency and excellence
  - Decades of expertise and knowledge

Customer Alignment

- Reinforce our role as a partner to customers
  - Trusted to be there where needed and when needed
  - Instill confidence in our ability to do the job well, with an emphasis on integrity and safety
  - Unrelenting customer-focus

Employee Alignment

- Accelerate cultural alignment
  - Encourage employee behaviors that are in line with our values, helping us to achieve our purpose
  - Create unifying identity so employees associate with the new, combined company instead of legacy companies

Valaris Overview (NYSE: VAL)

Fleet

- Largest and amongst the highest-quality offshore drilling fleets in the world
  - 16 drillships
  - 12 semisubmersibles
  - 54 jackups
- $11 billion of net asset value from rig fleet according to third party estimates
- ARO Drilling 50/50 joint venture with Saudi Aramco, the largest jackup customer worldwide

Financial

- $2.7 billion of liquidity
  - $0.4 billion of cash and short-term investments[1]
  - $2.3 billion unsecured revolving credit facility[2]
- $2.4 billion of contracted revenue backlog[3]
- $1.1 billion of debt maturities prior to 2024[1]
  - Ability to add guaranteed and/or secured debt to capital structure

Operational

- Presence in nearly all major offshore markets and on six continents
- Large & diverse customer base including major, national and independent E&P companies
- Strong track record of safety, innovation and operational excellence

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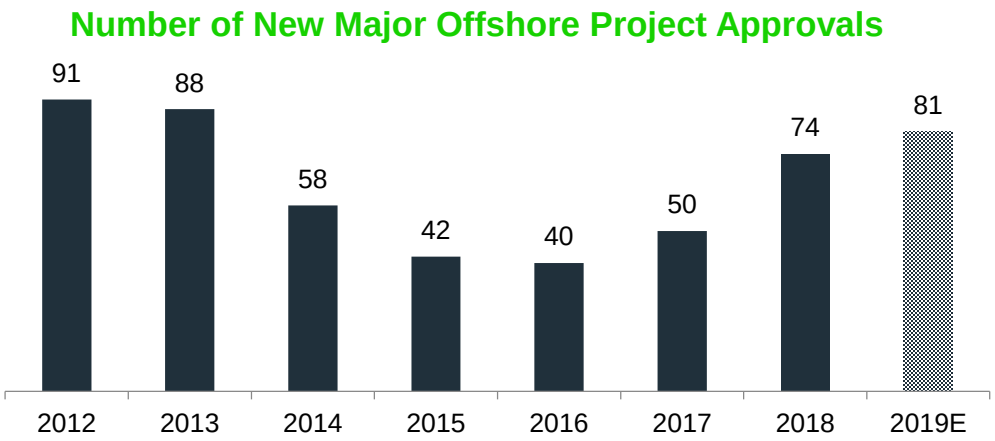
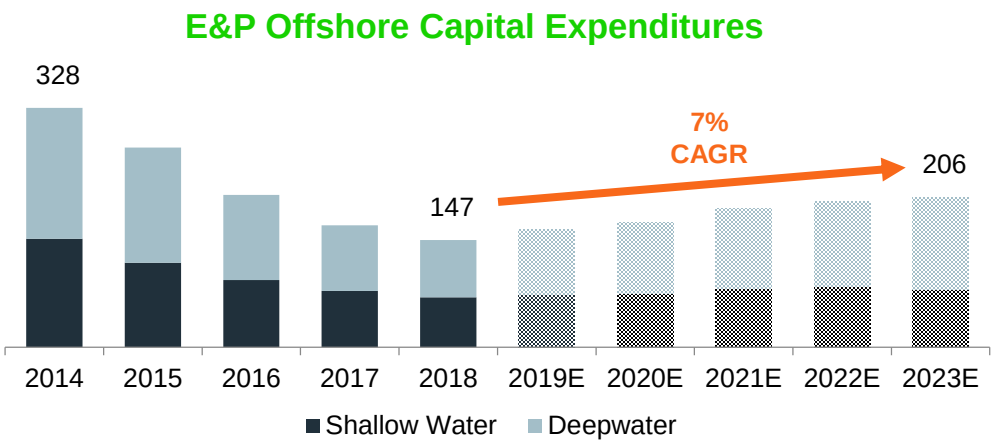
[1]As of June 30, 2019 pro forma for debt tender offers completed in July that reduced cash and equivalents by $741 million
[2]Borrowing capacity under revolving credit facility is approximately $2.3B through September 2019 and approximately $1.7B from October 2019 through September 2022. As of August 1, 2019, the Company had drawn $125 million on its revolver to partially fund repayment of the 2019 maturity.
[3]As of most recent filing

Market Dynamics

Offshore Project Approvals Expected to Lead to Higher Levels of Capital Expenditures





- With lower project costs relative to prior years and increasing cash flows from higher commodity prices, the number of final investment decision approvals for large offshore projects has increased recently
  - Drilling rigs required between approval and first production, which averages ~4 years for deepwater projects and ~1.5 years for shallow-water projects, and for periodic maintenance over the life of an offshore well
- As a result, capital expenditures are expected to increase at a gradual rate over the next several years, with the majority of this growth coming from projects in deepwater

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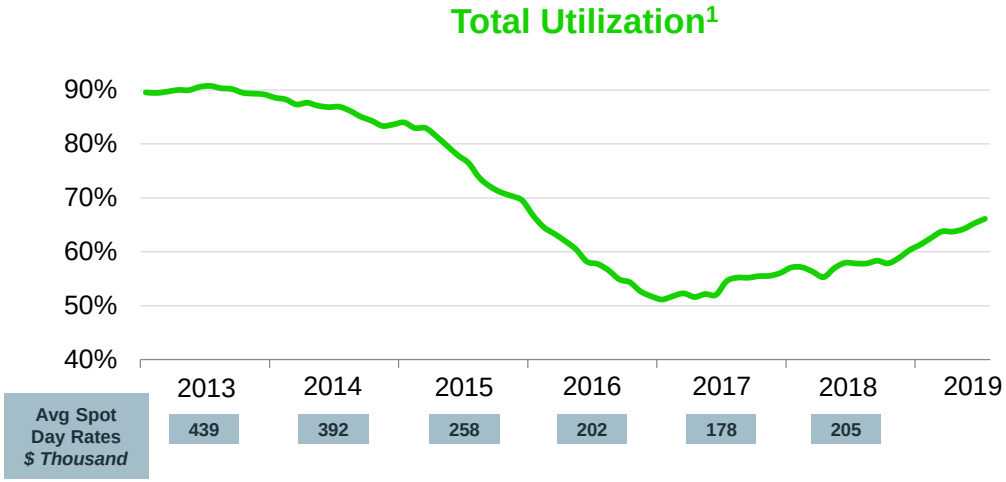
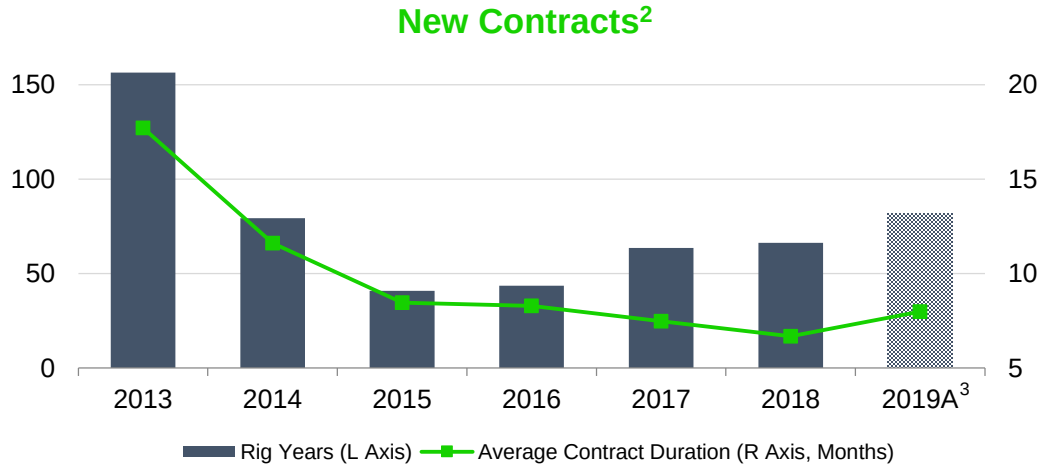
Source: Rystad Energy ServiceDemandCube as of July 2019, major projects defined as projects with >$250 million of associated capital expenditures

Global Floater Market



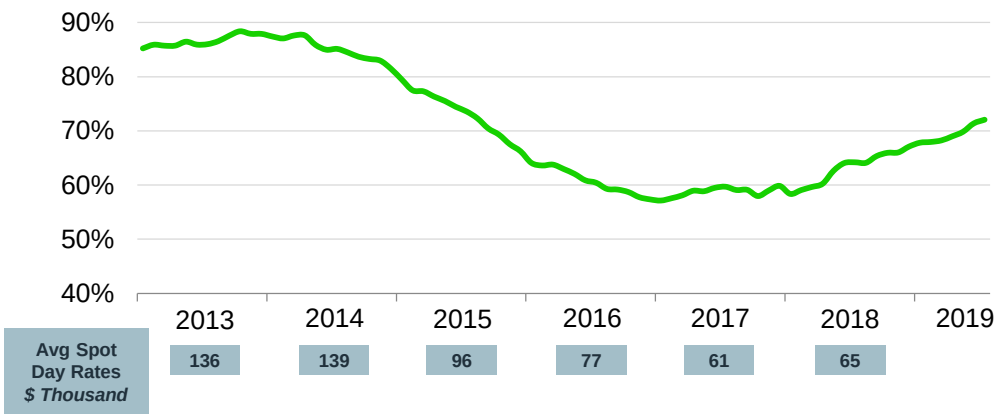


- Utilization for the global floater fleet has gradually increased since early 2017 due to a higher number of rig years awarded for new contracts, leading to slight improvement in average spot day rates
  - With contract durations remaining relatively flat during this time period, the increase in rig years is driven by the number of new contracts increasing
- Further increases in day rates require either a greater number of new contracts or longer average durations for new contracts

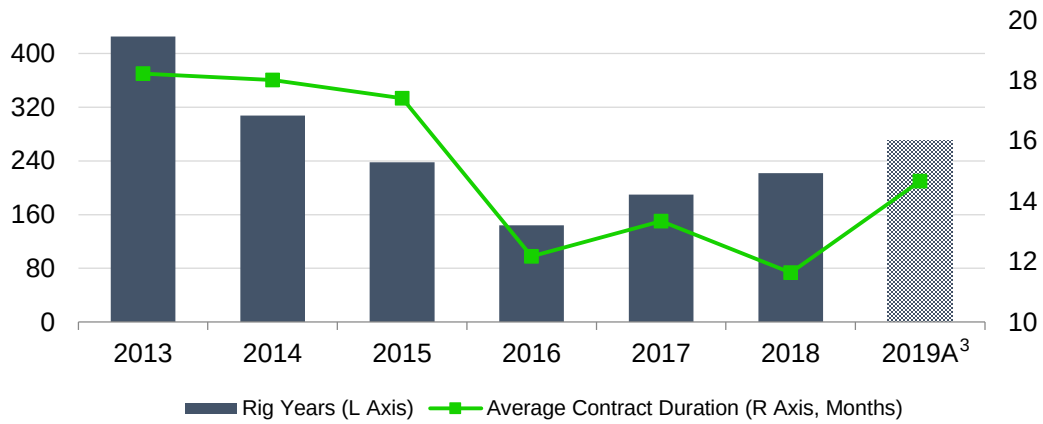
Source: IHS Markit RigPoint as of July 2019
[1]Total utilization reflects rigs currently under contract and contracted for future work as a percentage of the global floater fleet; includes benign & harsh-environment rigs
[2]Fixtures data includes New Mutual contracts only
[3]Year-to-date 2019 annualized

Global Jackup Market

Total Utilization[1]



New Contracts[2]



- Utilization for the global jackup fleet has also moved higher since early 2017, as a steady increase in rig years awarded for new contracts has led to a modest improvement in average spot day rates
  - In contrast to floaters, average contract durations for jackups have increased meaningfully in 2019, contributing to the increase in rig years awarded for new contracts
- Both an increasing number of new contracts and longer average contract durations are conducive to further increases in average day rates for new jackup contracts

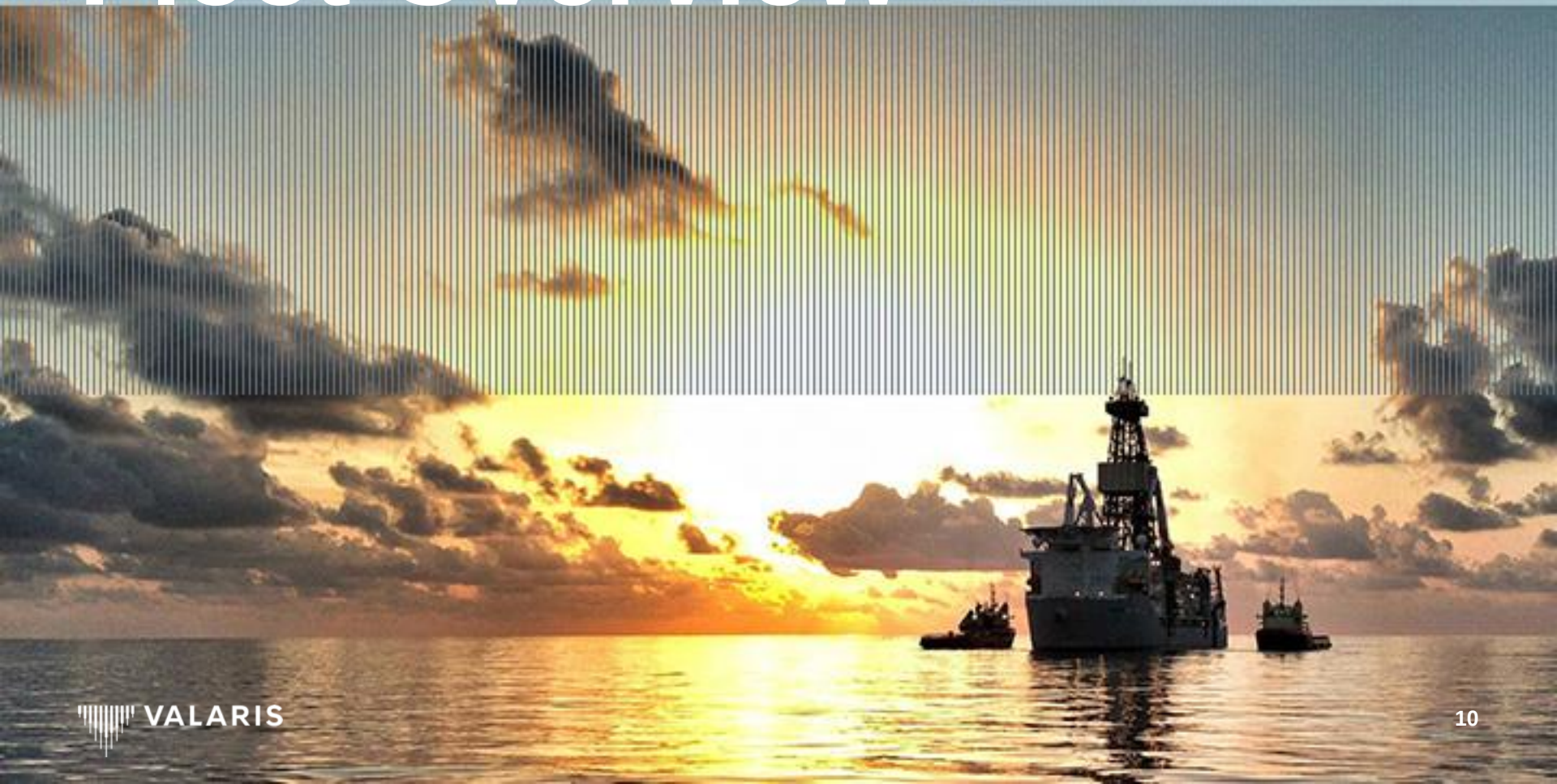
Source: IHS Markit RigPoint as of July 2019

[1]Total utilization reflects rigs currently under contract and contracted for future work as a percentage of the global jackup fleet; includes benign & harsh-environment rigs

[2]Fixtures data includes New Mutual contracts only

[3]Year-to-date 2019 annualized

Fleet Overview



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Fleet Overview

Diverse Fleet Capable of Meeting a Broad Spectrum of Customers' Well Program Requirements

Drillships	Semisubmersibles	Jackups
		
16 Total	**12 Total**	**54 Total**
– Average age of 6 years – 11 assets equipped with dual 2.5 million lbs. hookload derricks and two blowout preventers	– 9 modern assets with sixth generation drilling equipment – 3 rigs capable of working in both moored and dynamically-positioned mode	– Largest jackup fleet in the world – 13 heavy duty ultra-harsh & modern harsh environment units – 25 modern benign environment rigs

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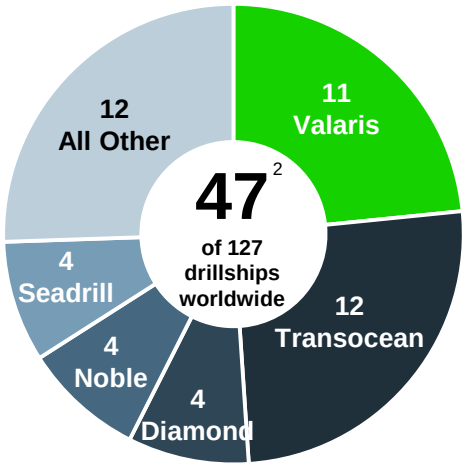
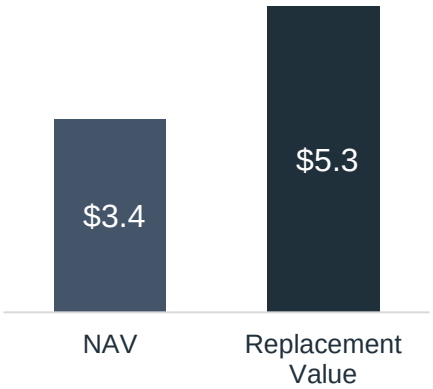
Highest-Specification Drillships

Key Rig Specifications

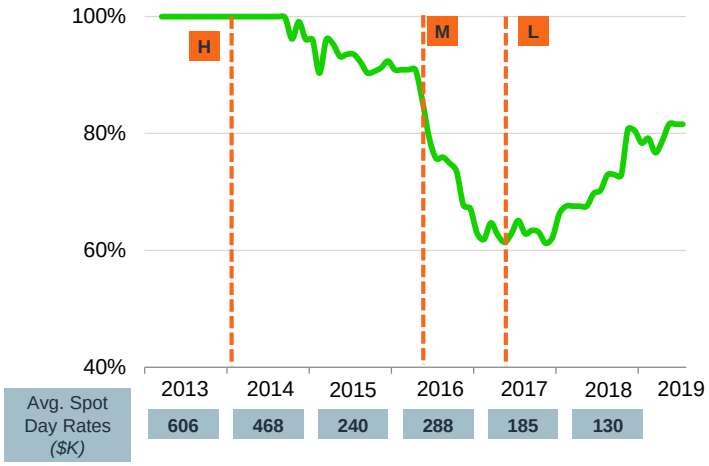
- Blowout preventers (BOPs): by having two BOPs, one unit can be deployed while required maintenance is performed on the other unit, adding redundancy for this critical piece of equipment and reducing flat time between wells
- Dual derricks: enables the rig to conduct simultaneous activities, which help to reduce project time and costs for customers
- Derrick capacity: dual 2.5 million lbs. hookload derricks give rigs the capability to drill and complete deeper, more complex wells



Valaris Asset Value[3] ($B)



Total Utilization



Illustrative Rig-Level EBITDA Scenarios[4] ($M)

Utilization \ Day Rate	L $200K	M $300K	H $500K
L 70%	(40)	241	803
M 85%	80	422	1,104
H 95%	161	542	1,305

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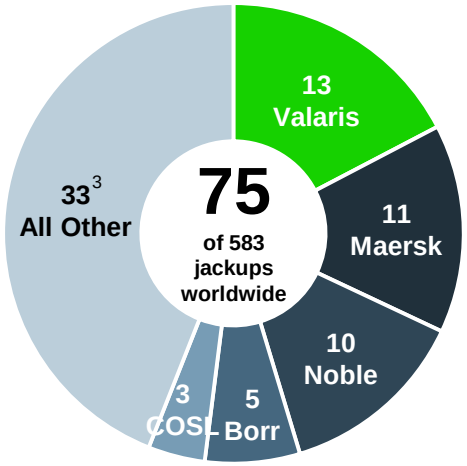
Source: IHS Markit RigPoint as of July 2019; Wells Fargo Securities
[1]Drillships delivered in 2013 or later, equipped with dual BOP and 2.5mm lbs. hookload derricks; [2]Includes 7 rigs that are under construction; [3]Based on Wells Fargo Securities estimates; [4]Assumes average operating expense of $150K/day, unadjusted for changes in utilization

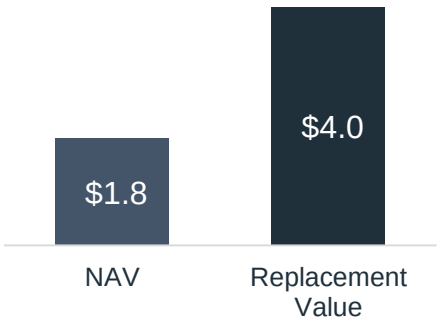
Heavy Duty Ultra-Harsh & Harsh Environment Jackups

Key Rig Specifications

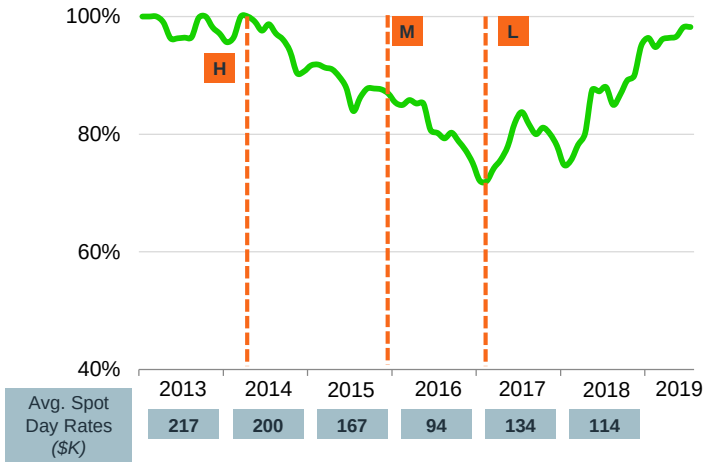
- Leg spacing: larger leg spacing enables jackups to drill in deeper water depths and enhances stability required to operate in harsh environments
- Cantilever reach: longer cantilever reach allows multiple wells to be drilled from one location, reducing the number of rig moves
- Variable deck load (VDL): higher VDL allows more equipment and consumables to be stored on the rig, reducing resupplying costs and logistics limitations



Valaris Asset Value[4] ($B)



Total Utilization



Illustrative Rig-Level EBITDA Scenarios[5] ($M)

Utilization	Day Rate: L $100K	M $150K	H $200K
L 70%	-	166	332
M 85%	71	273	475
H 95%	119	344	569

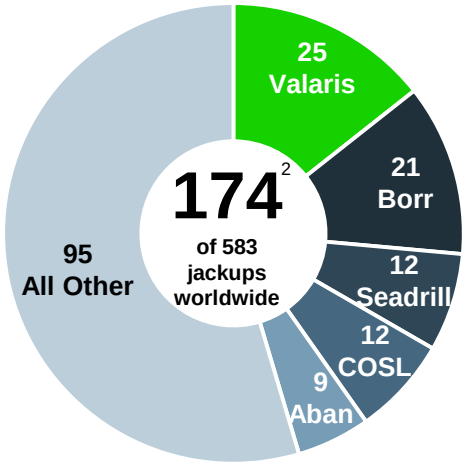
VALARIS

Source: IHS Markit RigPoint as of July 2019; Wells Fargo Securities
[1]Includes jackups with the following rig designs: GustoMSC CJ70, Le Tourneau Super Gorilla Class and KFELS N Class; [2]Other jackup designs classified as harsh environment and North Sea capable < 20 years of age; [3]Includes 22 rigs that are under construction; [4]Based on Wells Fargo Securities estimates; [5]Assumes average operating expense of $70K/day, unadjusted for changes in utilization

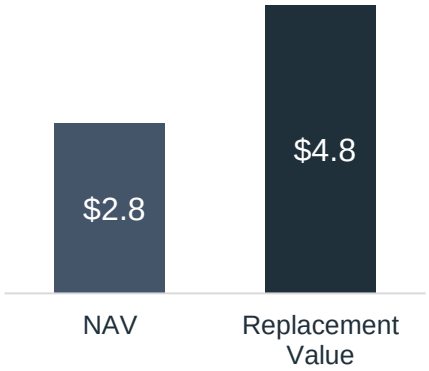
Modern Heavy Duty & Standard Duty Jackups

Key Rig Specifications

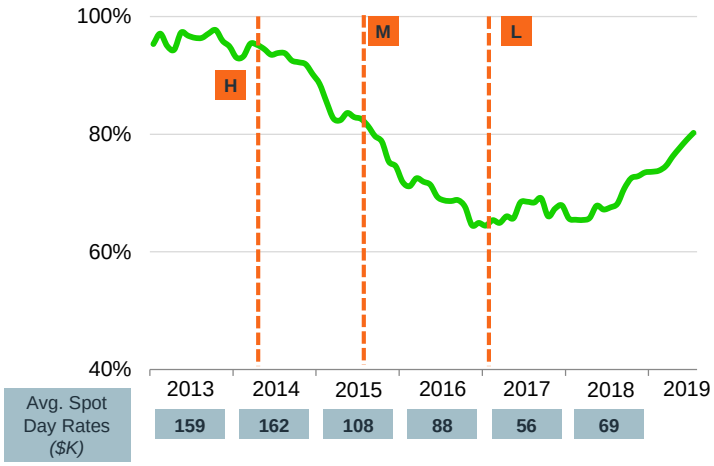
- Pipe handling: offline capabilities increase the speed at which a well can be drilled
- Accommodation capacity: larger accommodations give customers more flexibility in moving third-party personnel to rig, lowering transportation costs
- Footprint/jacking capacity: common jackup footprint leads to shorter time getting on location, and full preload jacking capabilities improve setup time at each location



Valaris Asset Value[3] ($B)



Total Utilization



Illustrative Rig-Level EBITDA Scenarios[4] ($M)

Utilization \ Day Rate	L $75K	M $100K	H $150K
L 70%	(23)	137	456
M 85%	80	274	662
H 95%	148	365	798

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Source: IHS Markit RigPoint as of July 2019; Wells Fargo Securities

[1]Benign environment jackups < 20 years of age with 1.5 million lbs. hookload derrick capacity, a minimum of three mud pumps and capable of operating in a minimum water depth of 340 ft.; [2]Includes 20 rigs that are under construction; [3]Based on Wells Fargo Securities estimates; [4]Assumes average operating expense of $55K/day, unadjusted for changes in utilization

ARO Drilling Joint Venture

ARO DRILLING
أرامكو روان للحفر

50/50 joint venture with Saudi Aramco, the largest customer for jackups in the world

EBITDA Generation

- ARO Drilling is expected to generate $160 – $180 million of EBITDA in 2019, of which Valaris recognizes 50% of net earnings
- Nine leased rigs contribute additional revenue through bareboat charter agreements, e.g. expected 3Q19 leased revenue from ARO Drilling of $21 million

Future Growth

- Strong organic growth from 20-rig newbuild program, with each rig backed by long-term contracts
- Newbuild program expected to be self-funded by ARO Drilling

Financing Opportunities

- Valaris holds ~$450 million of shareholder notes, which generate interest income
- Fully contracted fleet with strong counterparty and long-term contracts create opportunities to access external financing

Value Proposition

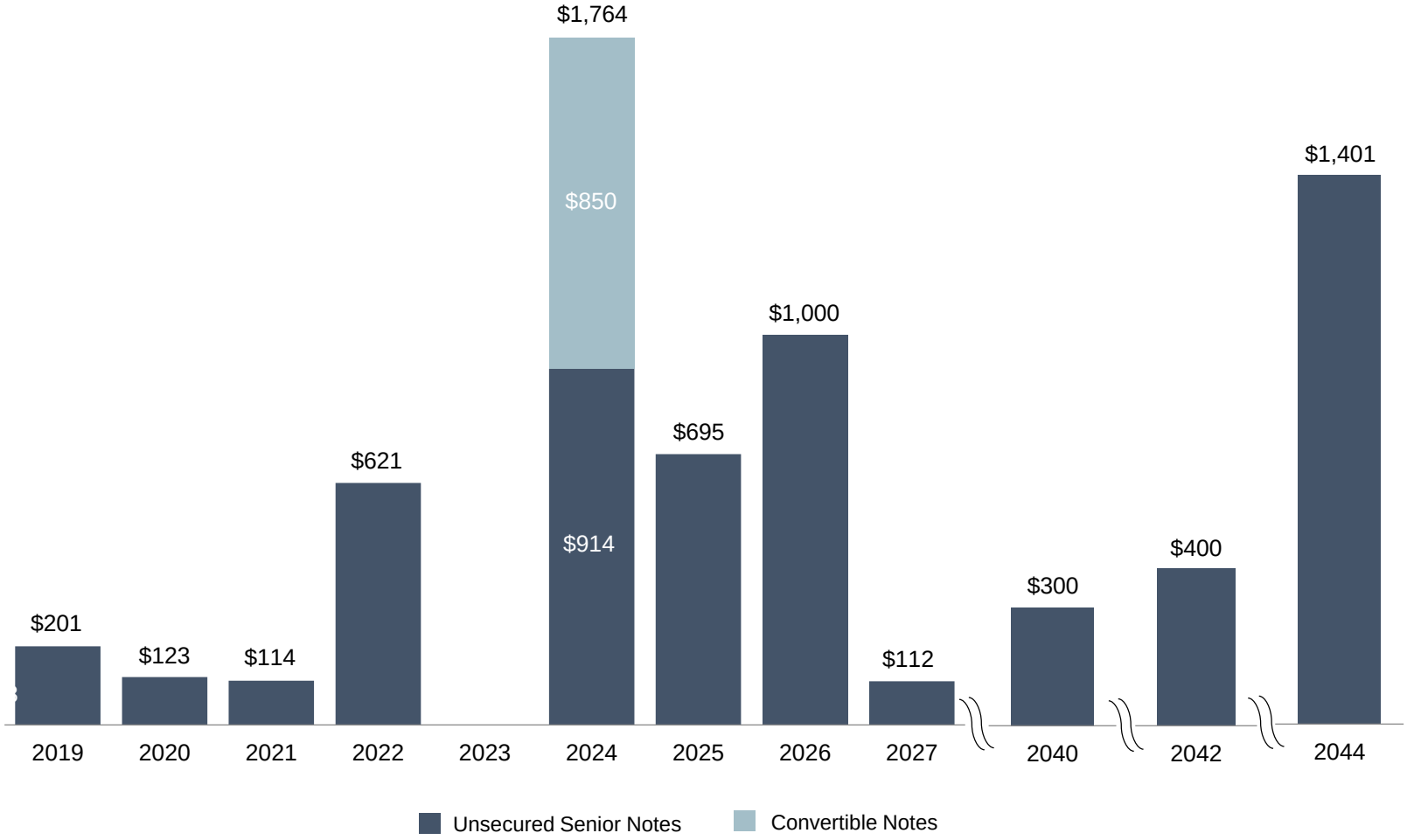
$ Million	Illustrative Rig-Level Annual EBITDA Scenarios[1]		Asset Values[2]	
Fleet	**M**	**H**	**Net**	**Replace-ment**
Highest Specification Drillships[3] (11)	$422	$1,305	$3,358	$5,304
Heavy Duty Ultra-Harsh & HE Jackups[3] (13)	273	569	1,803	4,002
Modern Heavy & Standard Duty Jackups[3] (25)	274	798	2,817	4,768
ARO Drilling Jackups[4] (7)	51	94	496	575
Other Drillships[5] (5)	153	376	1,452	2,570
Semisubmersibles[6] (12)	263	559	985	4,902
Other Jackups[7] (16)	159	292	318	2,304
Total	**$1,595**	**$3,993**	**$11,229**	**$24,425**

Source: FactSet as of July 31, 2019; Wells Fargo Securities; Valaris analysis
[1]Utilization assumptions: M: 85%, H: 95%; [2]Based on Wells Fargo Securities estimates as of April 2019; [3]Illustrative annual EBITDA based on assumptions from M and H scenarios in slides 12-14; [4]Represents 50% ownership interest from ARO Drilling's 7 owned rigs; Assumes day rates of M: $100K/day, H: $125K/day and average operating expense of $45K/day, unadjusted for changes in utilization; [5]Assumes day rates of M: $275K/day, H: $375K/day and average operating expense of $150K/day, unadjusted for changes in utilization; [6]Assumes day rates of M: $200K/day, H: $250K/day and average operating expense of $110K/day, unadjusted for changes in utilization for 12 semisubmersibles; [7]Assumes day rates of M: $85K/day, H: $100K/day and average operating expense of $45K/day, unadjusted for changes in utilization

Financial Management

Limited Debt Maturities Through 2024

$ millions

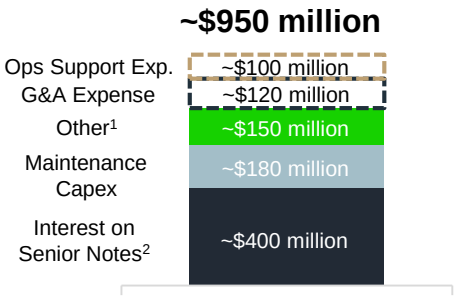


Note: All amounts as of June 30, 2019 pro forma for tender offers completed in July. Represents principal debt balances outstanding. Borrowing capacity under revolving credit facility is approximately $2.3B through September 2019 and approximately $1.7B from October 2019 through September 2022. On August 1, 2019 the Company repaid the 2019 maturity and drew $125M on the revolver.

While Cash Flow Does Not Cover Costs at This Stage of the Cycle ...

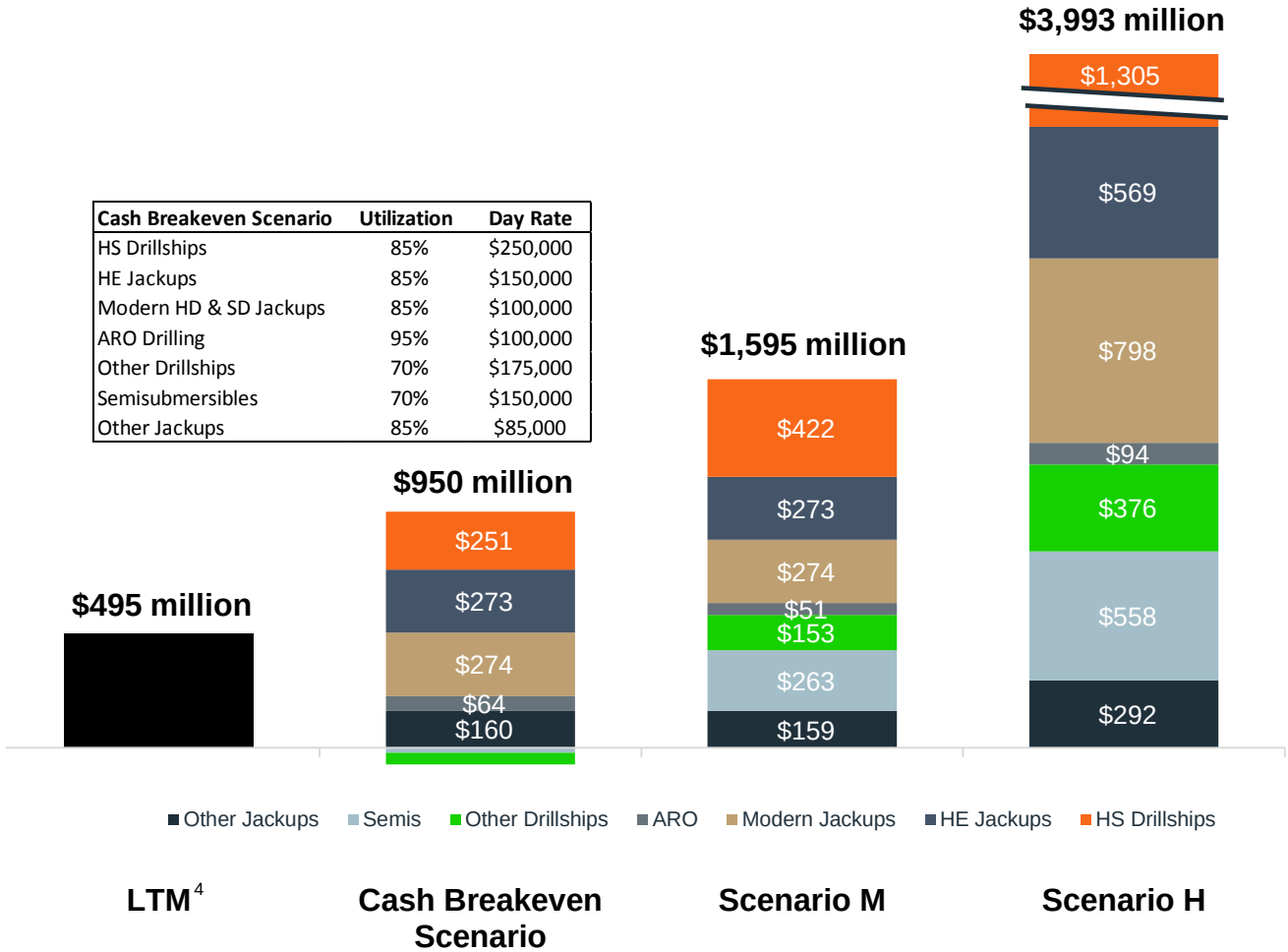
Illustrative Annual Cash Uses

- Other non-recurring uses:
  - Newbuild capex ~$250M
  - Debt maturities
- Tight management of costs is a priority



Illustrative Rig-Level Annual EBITDA Scenarios[3]

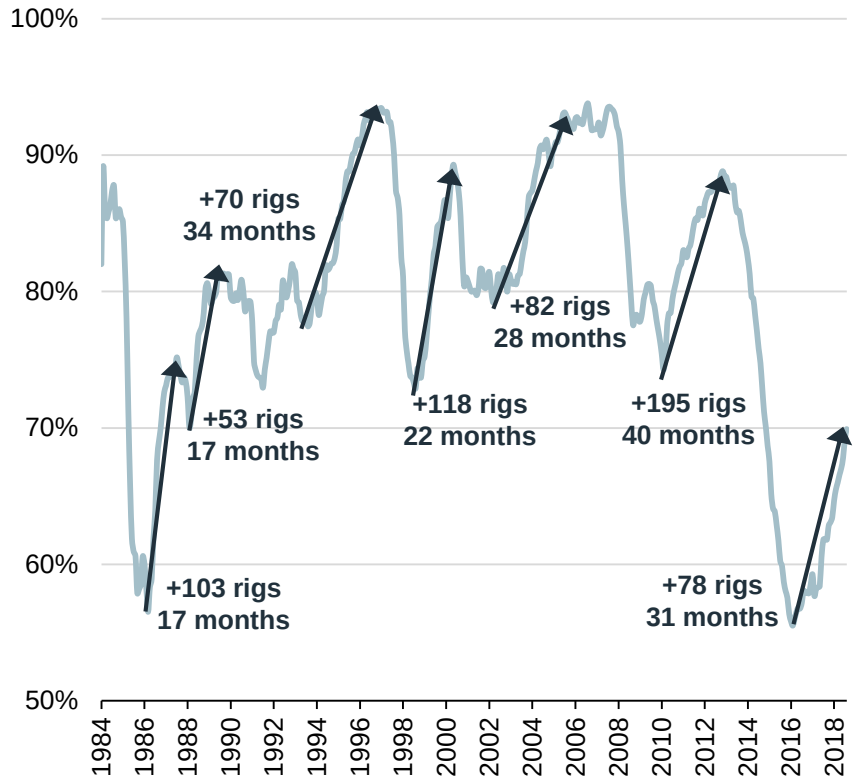
Cash Breakeven Scenario	Utilization	Day Rate
HS Drillships	85%	$250,000
HE Jackups	85%	$150,000
Modern HD & SD Jackups	85%	$100,000
ARO Drilling	95%	$100,000
Other Drillships	70%	$175,000
Semisubmersibles	70%	$150,000
Other Jackups	85%	$85,000



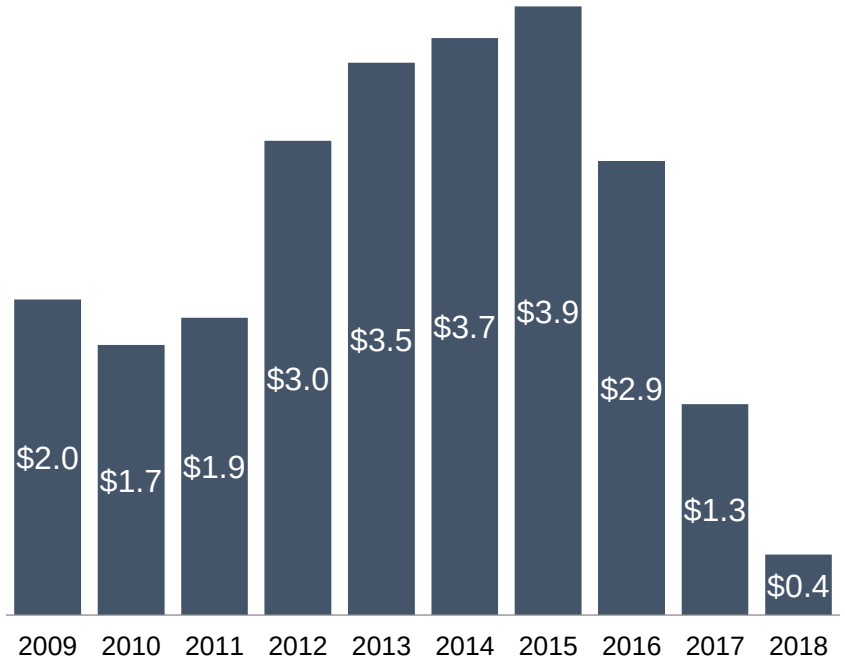
[1]Includes taxes and other items
[2]Annualized cash interest pro forma for tender offers completed in July
[3]Illustrative annual EBITDA based on M and H scenarios on slide 16
[4]LTM EBITDA excludes G&A expense and operations support costs included in contract drilling expense

EBITDA is Cyclical and Currently in Process of Troughing

Global Fleet Utilization



Valaris Pro Forma EBITDA[1] ($B)



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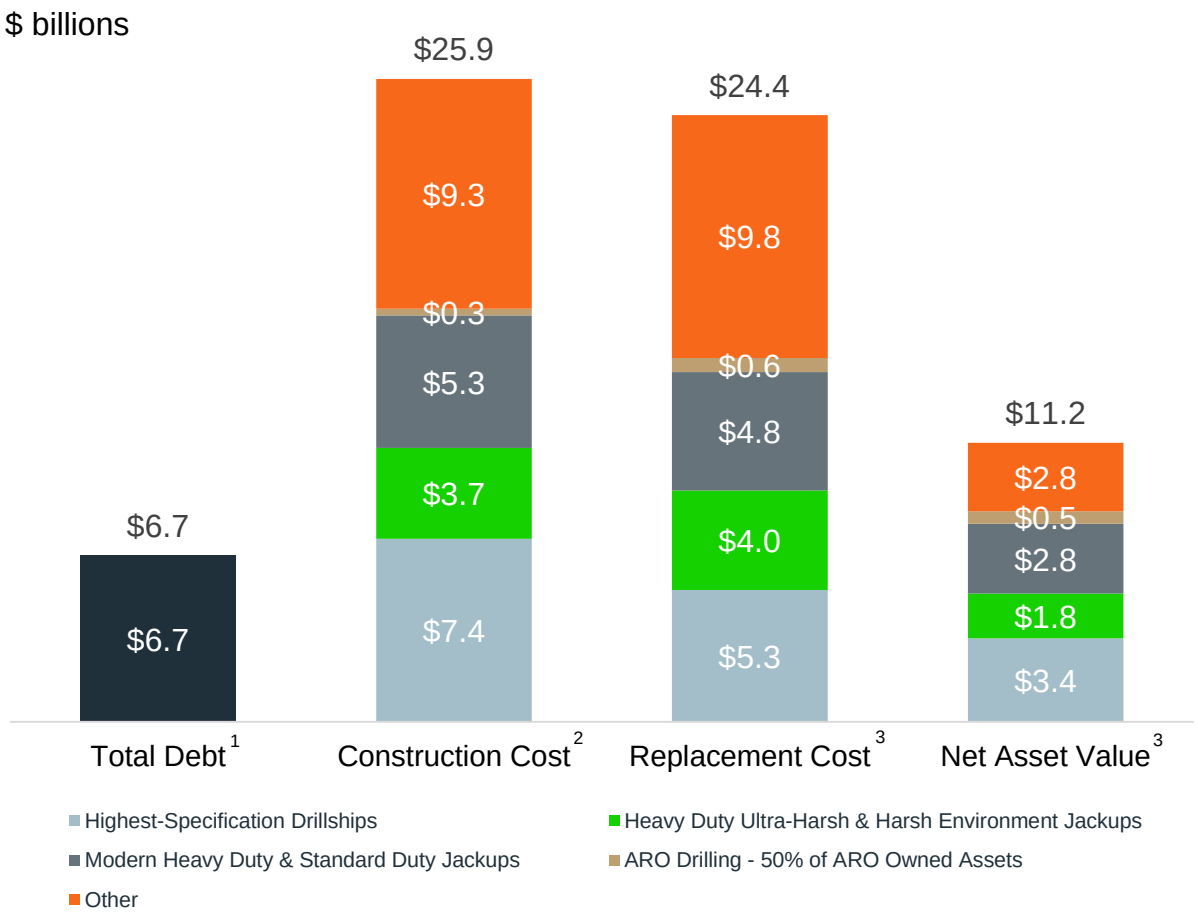
Source: IHS Markit RigPoint; Annual and Quarterly Filings

[1] EBITDA reflects operating income, adjusted for depreciation, amortization and impairment charges from Ensco plc, Rowan Companies plc and Atwood Oceanics, Inc. annual filings; Atwood Oceanics, Inc. 2017 results reflect the 9 months ended June 30, 2017 from their quarterly filing

High-Quality Fleet Provides Significant Asset Coverage to Raise Capital to Cover Interim Funding Gaps



- Largest fleet in the offshore drilling sector; majority of rigs are modern, high-specification assets
- Rig fleet provides meaningful asset coverage versus total debt even at currently depressed levels

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Source: IHS Markit RigPoint, Wells Fargo Securities, Valaris analysis
[1] Total debt of $6.7B represents principal balance as of June 30, 2019 pro forma for tender offers completed in July 2019
[2] Construction cost per IHS Markit RigPoint
[3] Replacement cost and net asset value per Wells Fargo Securities quarterly report dated April 16, 2019

Unsecured Capital Structure Provides Flexibility to Raise Capital

Financial Levers

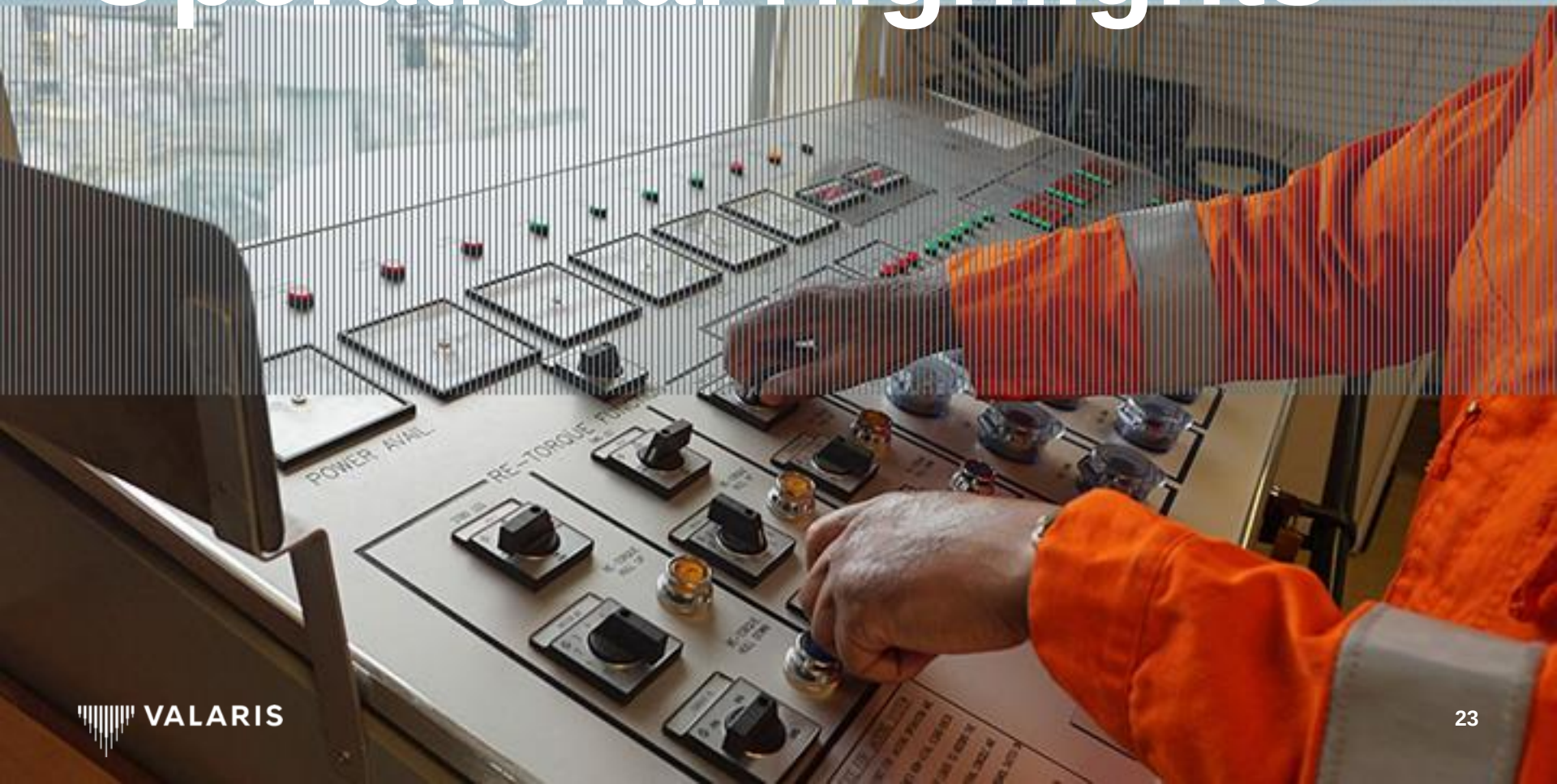
- Liquidity
  - Cash & short-term investments
  - $2.3B revolving credit facility[1]
- Issuance of securities
  - Valaris is one of two public offshore drillers that have not issued guaranteed or secured financing to date
- Monetization of assets
- Other
  - Arbitration tribunal award (SHI); $180 million awarded, plus claims for interest and related costs
  - ~$450 million ARO shareholder notes

Comparison to Peers[2]

	Total Debt ($ billion)	% of Unsecured Non-Guaranteed	% of Unsecured Guaranteed	% of Secured
Transocean	$9.8	40%	24%	36%
Seadrill	$6.8	-	-	100%
Valaris	$6.7	100%	-	-
Noble	$3.9	68%	29%	3%
Diamond	$2.0	100%	-	-
Maersk	$1.5	-	-	100%
Borr	$1.4	25%	-	75%
Pacific	$1.0	-	-	100%

[1] Borrowing capacity under revolving credit facility is approximately $2.3B through September 2019 and approximately $1.7B from October 2019 through September 2022
[2] Based on most recent public filings, pro forma for recent transactions. Valaris as of June 30, 2019 pro forma for tender offers completed in July

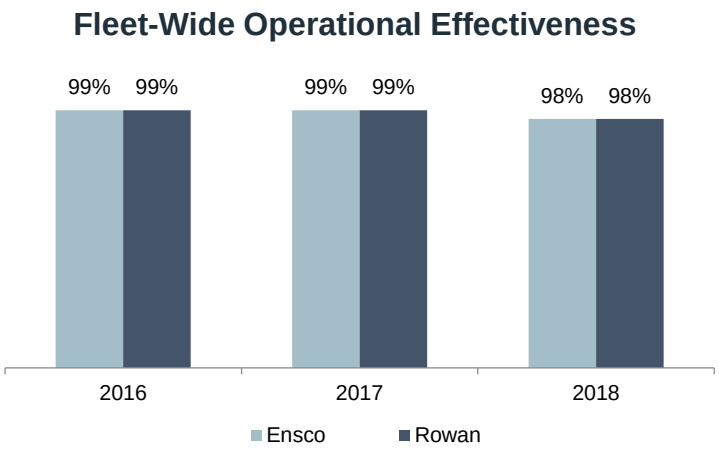
Operational Highlights



VALARIS

Operational Excellence

Consistent Operational Results



- Achieved nearly 100% operational effectiveness for the past three years
- Focus on optimizing customers' well delivery through well planning, drilling performance and performance contracts

Industry-Leading Customer Satisfaction

- Won 10 of 17 categories in latest survey[2]
  - Total Satisfaction
  - Health, Safety & Environment
  - Performance & Reliability
  - Middle East
  - North Sea
  - Job Quality
  - HPHT Wells
  - Ultra-Deepwater Wells
  - Deepwater Wells
  - Shelf Wells

[1] Average of legacy Ensco "Operational Utilization" and legacy Rowan "Billed Uptime" for 2016, 2017 and 2018
[2] 2018 Oilfield Products & Services Customer Satisfaction Survey conducted by EnergyPoint Research

Innovation & Technology

Strategy

- Focused efforts on technology, systems and processes to differentiate our assets from the competition through better performance and reliability; key areas include:
  - Improvements to the drilling process
  - Equipment reliability
  - Better productivity from our operations
- Our scale provides us with the ability to economically develop and deploy new technologies across a wide asset base and geographic footprint

Drilling Process Efficiency

Continuous Tripping Technology

- Continuous Tripping Technology™ is a patented system that fully automates the pipe tripping process without stopping to make or break connections, enabling 3x faster tripping speeds and delivering expected cost savings along with safer, more reliable operations
- Prototype installed on Valaris JU-123, and technology is actively being marketed to customers

Equipment Maintenance

EAMS

EPIC

CONTINUOUS SURVEY PROGRAM

- Management systems increase operational uptime and decrease lifecycle costs by optimizing asset usage and maintenance activities
- Currently deploying systems across the fleet that leverage best practices from legacy companies

Placing Jackups on Location

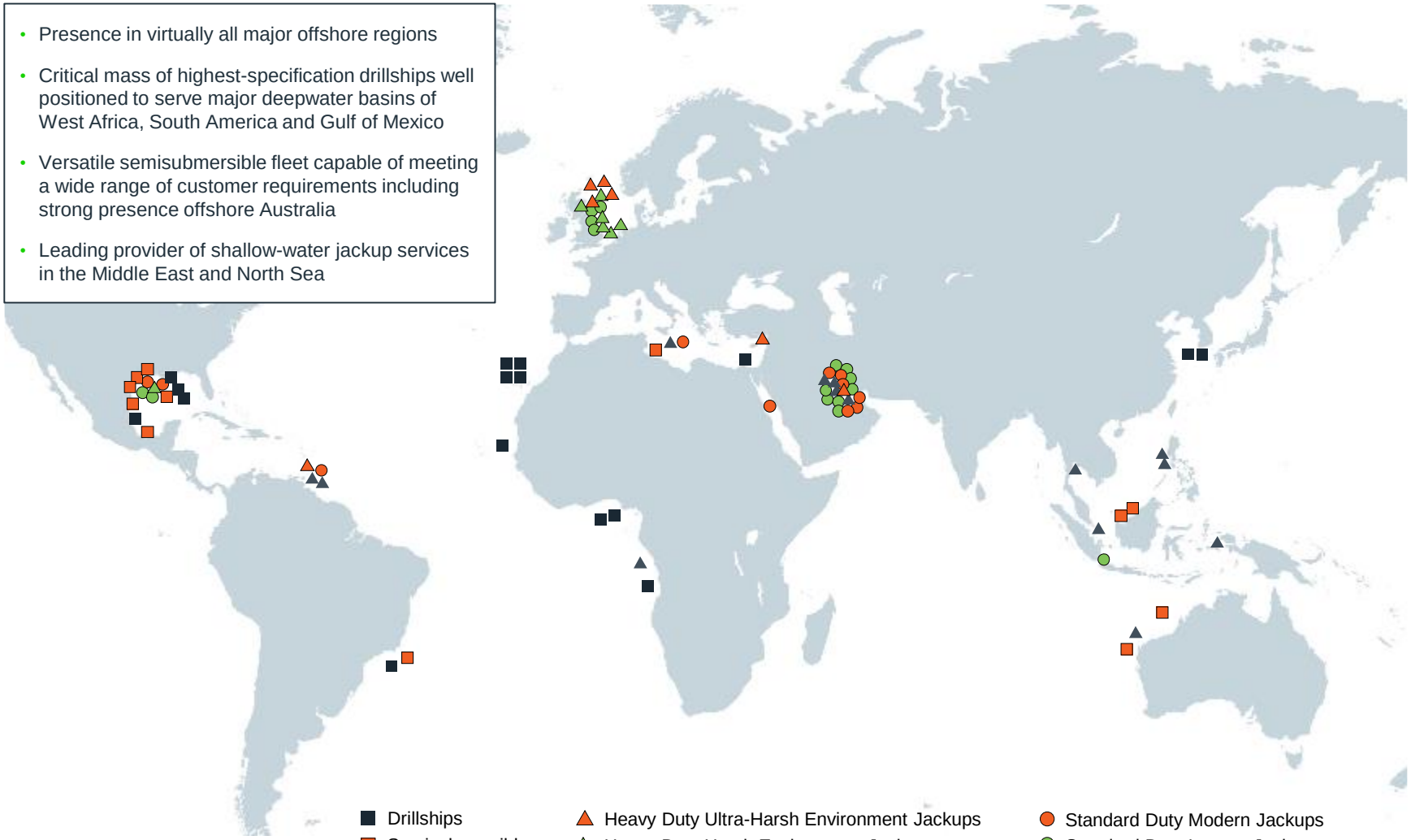
PINSAFE

SMART MOVE

- Proprietary technologies create significant cost savings for customers by optimizing jackup moves and reducing downtime spent waiting on weather
- Technology available on several jackups currently operating

Global Reach and Geographic Diversity

- Presence in virtually all major offshore regions
- Critical mass of highest-specification drillships well positioned to serve major deepwater basins of West Africa, South America and Gulf of Mexico
- Versatile semisubmersible fleet capable of meeting a wide range of customer requirements including strong presence offshore Australia
- Leading provider of shallow-water jackup services in the Middle East and North Sea



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Fleet Management Strategy

Marketed Rigs

- Win new contracts for marketed rigs, prioritizing assets that are active with near-term availability
- Manage time between contracts by winning new work to bridge gaps in utilization
- Reduce costs during uncontracted periods
- Divest non-core rigs upon completing contracts if significant capital investment required to keep rig competitive

Stacked Rigs

- Evaluate reactivating jackups if reactivation economics are supported by initial contract
- No floater reactivations until day rates and contract terms can support reactivation costs
- Continued focus on cost management

Merger Integration and Synergies

Targeted Synergies

- $165 million of run rate annual expense synergies
  - G&A and other support costs
  - Regional office consolidation
  - Inventory, logistics and other vendor synergies
- Expect to achieve more than 75% of these synergies by the end of first quarter 2020, with full run rate achieved by year-end 2020, creating $1.1 billion of capitalized value

Progress to Date

- More than 50% of integration-related activities completed
  - 65% of planned staffing reductions
  - Houston and Aberdeen regional office and warehouse consolidation
  - Major ERP conversion
- $80 million of annual run rate synergies achieved by the end of second quarter 2019
- Evaluating additional synergy opportunities that could lead to increase in targeted synergies

Appendix

Global Rig Fleet

	Floaters	Jackups
Delivered Rigs		
Under Contract	134	330
Future Contract	26	44
Idle / Stacked	34	72
Marketed Fleet	**194**	**446**
Non-Marketed	46	73
Total Fleet	**240**	**519**
Marketed Utilization	*82%*	*84%*
Total Utilization	*67%*	*72%*
Newbuild Rigs		
Contracted	1	3
Uncontracted	27	61
Total Newbuilds	**28**	**64**

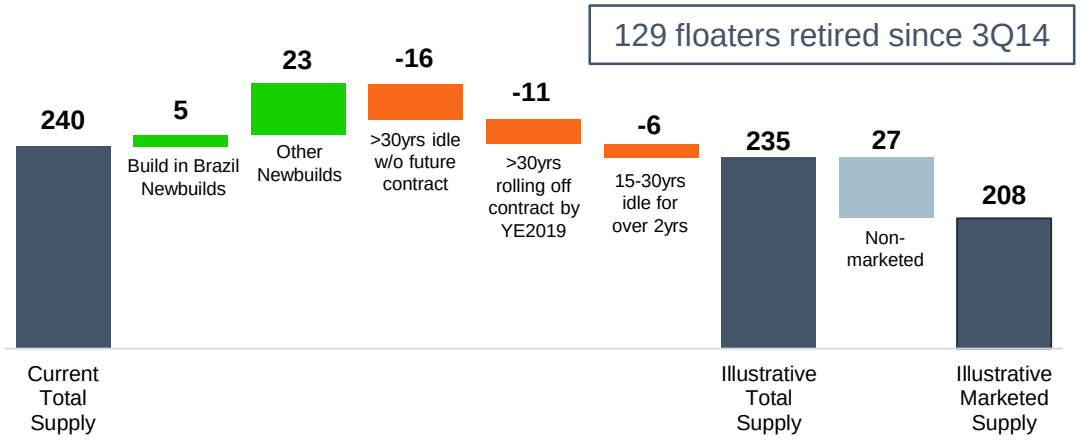
- ~35 floaters[1] could be candidates for retirement based on age and contract expirations
- ~150 jackups[1] could be retired as expiring contracts and survey costs lead to the removal of older rigs from drilling supply
- Uncontracted newbuilds expected to be delayed further, while several newbuild jackups in China are unlikely to join the global fleet

Source: IHS Markit RigPoint as of July 2019

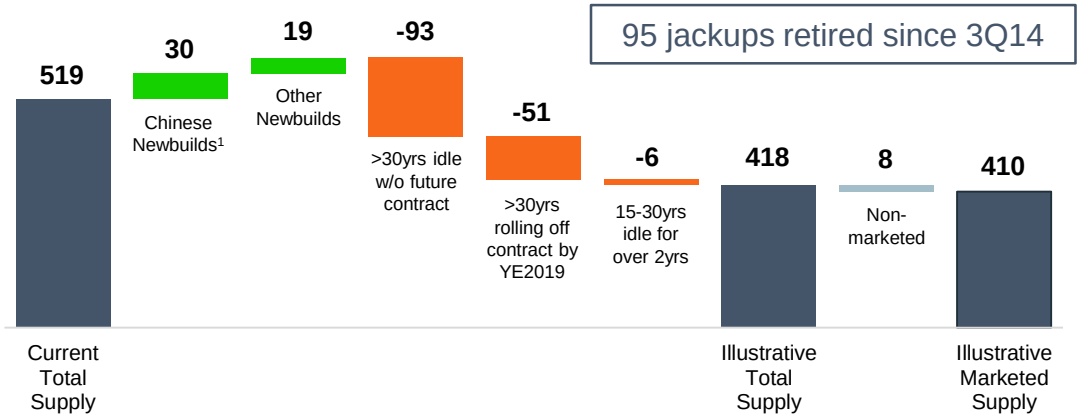
[1]Includes rigs >30 years of age that are idle without follow-on work or have contracts expiring before year-end 2019 without follow-on work and rigs 15 to 30 years of age that have been idle for more than two years and without follow-on work

Retirements Expected to Lead to Future Supply Contraction

Illustrative Floater Supply



Illustrative Jackup Supply



- Further floater retirements expected to offset newbuild deliveries
  - Excluding another 27 floaters that are not currently marketed, illustrative marketed supply of 208 compares to contracted floater count of 160
- When adjusting for likely retirements and newbuilds, the jackup count could decline by ~100 rigs or nearly 20%
  - Excluding another 8 jackups that are not currently marketed, illustrative marketed supply of 410 compares to contracted jackup count of 374

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Source: IHS Markit RigPoint as of July 2019
[1]Assumes 15 uncontracted Chinese newbuild jackups do not enter the global supply

Boldly First

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