

Maersk XLE4 Norge A/S

Esplanaden 50
1263 Copenhagen K
Company Reg. No. 35230335

Annual Report 2015

(Financial year No. 3)

As adopted by the Company at the Annual General Meeting
25 April 2016

A handwritten signature in blue ink, reading "Samir Abboud", is positioned above a horizontal dashed line.

Samir Abboud

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Statement of the Board of Directors and Management

The Board of Directors and the Management have today discussed and approved the annual report for 2015 of Maersk XLE4 Norge A/S.

The annual report has been prepared in accordance with the Danish Financial Statements Act.

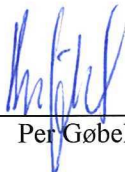
In our opinion, the Financial Statements provide a true and fair view of the Company's assets, liabilities, and financial position 31 December 2015 and of the results of the Company's operations for the financial year 2015.

It is also our opinion that the Management review includes a true and fair view of the development in the Company's operations and financial conditions, the results for the year and financial position.

We recommend that the annual report be approved at the Annual General Meeting.

Copenhagen, 21 April 2016

Management:



Per Gøbel

Board of Directors:



Angela Durkin
(Chairman)



Marianne Sørensen Henriksen



Samir Abboud

Independent Auditor's Report

To the shareholder of Maersk XLE4 Norge A/S

Report on the Financial Statements

We have audited the Financial Statements of Maersk XLE4 Norge A/S for the financial year 1 January 2015 – 31 December 2015, which comprise income statement, balance sheet, statement of changes in equity, notes and summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

Management's responsibility for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Financial Statements based on our audit. We conducted our audit in accordance with International Standards on Auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Financial Statements are free from material misstatement.

An audit involves performing audit procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Management, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2015 and of the results of the Company's operations for the financial year 1 January 2015 - 31 December 2015 in accordance with the Danish Financial Statements Act.

Independent Auditor's Report

Statement on Management's review

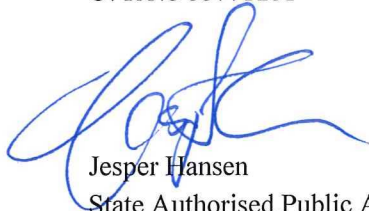
We have read Management's review in accordance with the Danish Financial Statements Act. We have not performed any procedures additional to the audit of the Financial Statements. On this basis, in our opinion, the information provided in Management's review is consistent with the Financial Statements.

Copenhagen, 21 April 2016

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab

CVR No 33771231



Jesper Hansen

State Authorised Public Accountant



Tommy Borggaard Nielsen

State Authorised Public Accountant

Management's Review

Company details

Maersk XLE4 Norge A/S
Esplanaden 50
1263 Copenhagen K

Company Reg. No.:	35230335
Date of incorporation:	15 April 2013
Registered office:	Copenhagen
Financial year:	1 January - 31 December

Board of Directors

Angela Durkin (Chairman)
Marianne Sørensen Henriksen
Samir Abboud

Management

Per Gøbel

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
DK-2900 Hellerup

Annual General Meeting

Annual General Meeting will be held 25 April 2016.

Management's Review

The Company's main activities

The Company's main activity is offshore drilling activity on the leased rig with project name XLE4. The Company is engaged in drilling activities in the Norwegian sector of the North Sea through a registered branch in Norway.

Development in activities and finances

The company has no revenue before the rig is delivered from the shipyard and starts its activity in the North Sea. The rig is expected to be delivered end 2016 and start operation in Norway in Q2 2017.

The result for the year amounts to USD (1,122)k (2014: USD (1,537)k) which is in line with management expectations. For 2016 management expects a significantly lower result than 2015.

Capital resources

As of 31 December 2015 the Company's equity amounts to negative USD (2,901)k and therefore the Company has lost more than 50% of its share capital. Management expects that the negative equity will be re-established through earnings from the normal operation within a few years.

In Connection with the assessment of going concern which forms the basis of the preparation of the Financial Statements, Management has obtained a Letter of support from Maersk Drilling A/S in which Maersk Drilling A/S confirms, that it will support Maersk XLE4 Norge A/S financially to the extent necessary to finance its operating activities and to settle its financial obligations.

Events after the Balance sheet date

No events have occurred after the balance sheet date to this date which would influence the evaluation of this annual report.

Financial Statements 1 January - 31 December

Accounting policies

The Financial Statements of Maersk XLE4 Norge A/S for 2015 have been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B.

The accounting policies are unchanged from last year.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised costs are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, write-downs and provisions and reversals as a result of changes in accounting estimates of amounts previously recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Financial Statements 1 January - 31 December

Accounting policies

Income statement

Other external cost

Other external costs comprise expenses incurred during the year for bare boat hire of the rigs, repair and maintenance, catering, hired crew and administrative costs.

Tax on result for the year

Tax for the year consists of current tax for the year and changes in deferred tax for the year. The tax attributable to the result for the year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity. The Company is part of A.P. Møller Holding A/S' joint taxation. The current Danish income tax is allocated among the jointly taxed companies proportionally to their taxable income (full allocation with refund concerning tax losses).

Balance sheet

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts. Provisions for bad debts are determined on the basis of an individual assessment of each receivable.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity or within joint taxation.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

Current tax receivables and liabilities

Current tax liabilities and current tax receivables are recognized in the balance sheet as calculated tax on the taxable income adjusted for tax on prior years' taxable income and paid on account taxes.

Financial Statements 1 January - 31 December

Accounting policies

Financial debt

Other debts are recognised at amortised cost, which, essentially corresponds to the nominal value.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the date of the transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

USD is used as functional currency and as presentation currency because the majority of transactions are in U.S. dollars. At 31 December 2015 the exchange rate DKK/USD was 683.00 (2014: 612.14).

Financial Statements 1 January - 31 December

Income statement

Note	2015 USD ('000)	2014 USD ('000)
Other external costs	(1,586)	(1,769)
Result before tax	(1,586)	(1,769)
2 Tax on result for the year	464	232
Result for the year	(1,122)	(1,537)

Appropriation

Retained earnings	(1,122)	(1,537)
	(1,122)	(1,537)

Financial Statements 1 January - 31 December

Balance sheet

Note	ASSETS	2015 USD ('000)	2014 USD ('000)
	Current assets		
	Receivables		
	Current tax receivables	261	130
	Receivables from group enterprises	359	202
3	Deferred tax assets	273	97
	Total current assets	893	429
	TOTAL ASSETS	893	429

Financial Statements 1 January - 31 December

Balance sheet

Note	EQUITY AND LIABILITIES	2015 USD ('000)	2014 USD ('000)
	Equity		
	Share capital	88	88
	Retained earnings	(2,989)	(1,867)
	Total equity	(2,901)	(1,779)
	Non-current liabilities		
	Short-term liabilities		
	Payables to group enterprises	3,792	2,206
	Other payables	2	2
	Total short-term liabilities	3,794	2,208
	Total liabilities	3,794	2,208
	TOTAL EQUITY AND LIABILITIES	893	429
4	Commitments and contingent liabilities, etc.		
5	Employee remuneration, etc.		
6	Related parties		
7	Shareholders		
8	Consolidation		

Financial Statements 1 January - 31 December

Equity statement

USD ('000)	Share- capital	Retained earnings	Total
Equity 31 December 2014	88	(330)	(242)
Result for the year	0	(1,537)	(1,537)
Equity 1 January 2015	88	(1,867)	(1,779)
Result for the year	0	(1,122)	(1,122)
Equity 31 December 2015	88	(2,989)	(2,901)

The share capital comprises 500 shares of DKK 1,000. No shares hold special rights. 15 April 2013 the share capital was established with paid in capital of USD 88k. There has been no other changes to the share capital.

Financial Statements 1 January - 31 December

Notes

1 Capital resources

As of 31 December 2015 the Company's equity amounts to negative USD (2,901)k and therefore the Company has lost more than 50% of its share capital. Management expects that the negative equity will be re-established through earnings from the normal operation within a few years.

In connection with the assessment of going concern which forms the basis of the preparation of the Financial Statements, Management has obtained a Letter of support from Maersk Drilling A/S in which Maersk Drilling A/S confirms, that it will support Maersk XLE4 Norge A/S financially to the extent necessary to finance its operating activities and to settle its financial obligations.

	2015	2014
	<u>USD ('000)</u>	<u>USD ('000)</u>
2 Tax on the result of the year		
Tax for the year	261	135
Change in deferred tax	112	101
Change in deferred tax due to change in tax rate	(19)	(4)
Adjustments to prior years tax for the year	27	0
Adjustments to prior years change in deferred tax	<u>83</u>	<u>0</u>
	<u>464</u>	<u>232</u>

3 Deferred tax

Deferred tax relates to deferred tax on tax loss carried forward.

4 Commitments and contingent liabilities, etc.

Contingent liabilities

The Company is jointly taxed with all other Danish companies in the A.P. Møller Holding Group. As a fully owned subsidiary, the Company has unlimited and joint liability together with the other companies under joint taxation for Danish company tax, withholding taxes on dividends, interest and royalties within the jointly taxed companies.

Financial Statements 1 January - 31 December

Notes

5 Employee remuneration

Maersk XLE4 Norge A/S has not had employees in 2015 and 2014. Personnel are hired from affiliates in the A.P. Møller - Mærsk Group. The Board of Directors has not been remunerated.

6 Related parties

The following related parties have a controlling interest in Maersk XLE4 Norge A/S;

The A.P. Møller og Hustru Chastine Mc-Kinney Møllers Fond til almene formaal, Copenhagen, Denmark and A.P. Møller Holding A/S has control over the A.P. Møller - Mærsk Group.

Other related parties with dominant influence include;

- A.P. Møller - Mærsk A/S, Esplanaden 50, 1098 Copenhagen K.
- Maersk Drilling A/S, Esplanaden 50, 1098 Copenhagen K. The parent company

Other related parties

Subsidiaries and affiliates to A.P. Møller - Mærsk A/S.

Related parties also include the Board of Directors and leading employees and their family members. Related parties also include companies in which the above persons have significant interests.

7 Shareholders

The Company has registered the following shareholder holding minimum 5% of the voting share capital or minimum 5% of the nominal share capital:

Maersk Drilling A/S
Esplanaden 50
1098 Copenhagen K

8 Consolidation

The consolidated financial statements of A.P. Møller - Mærsk A/S, Esplanaden 50, 1098 Copenhagen can be obtained by contacting this company or at its website www.maersk.dk