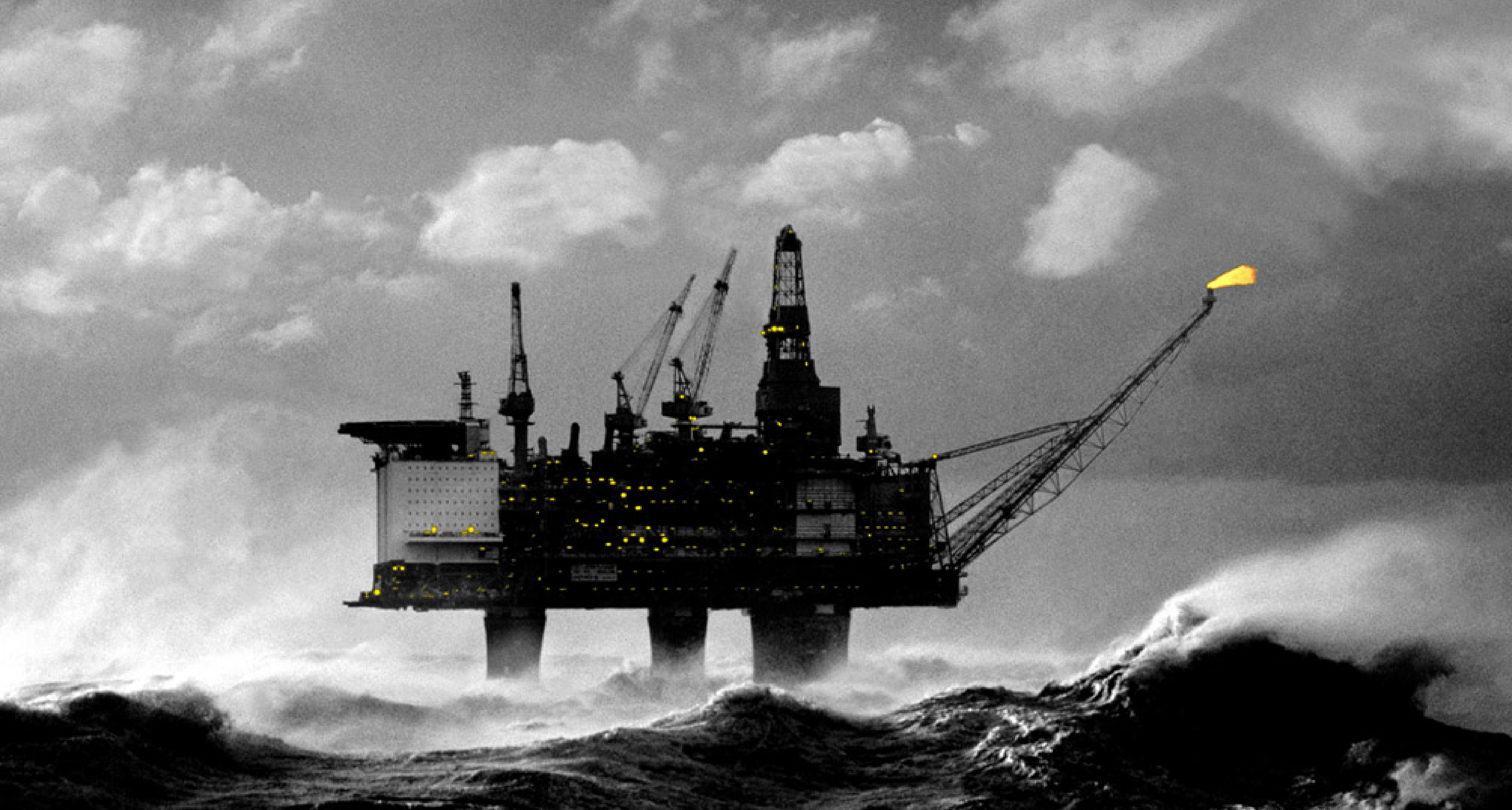


Archer Third Quarter 2018

John Lechner CEO
Dag Skindlo CFO

2 November 2018

Archer

Disclaimer – forward looking statements

Cautionary Statement Regarding Forward-Looking Statements

In addition to historical information, this press release contains statements relating to our future business and/or results. These statements include certain projections and business trends that are “forward-looking.” All statements, other than statements of historical fact, are statements that could be deemed forward-looking statements, including statements preceded by, followed by or that include the words “estimate,” pro forma numbers, “plan,” project,” “forecast,” “intend,” “expect,” “predict,” “anticipate,” “believe,” “think,” “view,” “seek,” “target,” “goal” or similar expressions; any projections of earnings, revenues, expenses, synergies, margins or other financial items; any statements of the plans, strategies and objectives of management for future operations, including integration and any potential restructuring plans; any statements concerning proposed new products, services, developments or industry rankings; any statements regarding future economic conditions or performance; any statements of belief; and any statements of assumptions underlying any of the foregoing.

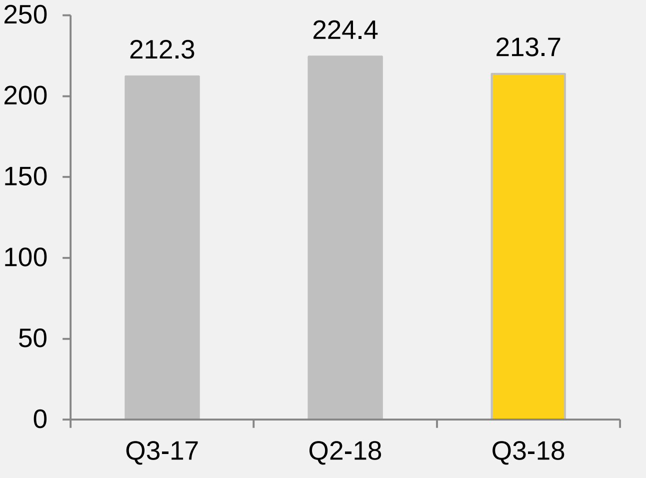
Forward-looking statements do not guarantee future performance and involve risks and uncertainties. Actual results may differ materially from projected results/pro forma results as a result of certain risks and uncertainties. Further information about these risks and uncertainties are set forth in our most recent annual report for the Year ending December 31, 2017. These forward-looking statements are made only as of the date of this press release. We do not undertake any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

The forward-looking statements in this report 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 our records and other data available from Fourth parties. Although we believe that these assumptions were reasonable when made, because these assumptions are inherently subject to significant uncertainties and contingencies, which are impossible to predict and are beyond our control, we cannot assure you that we will achieve or accomplish these expectations, beliefs or projections.

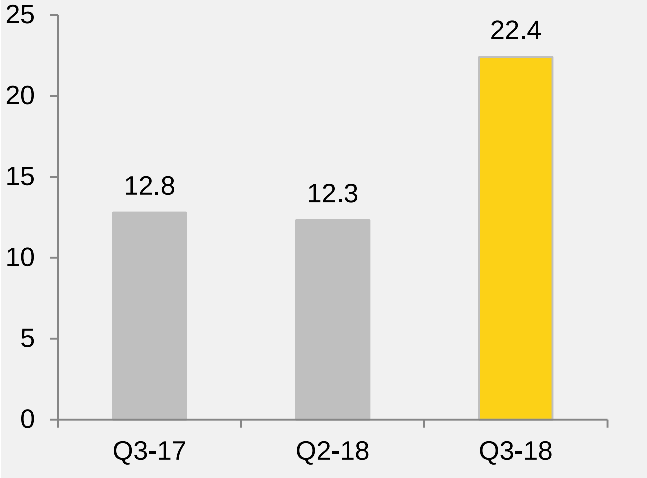
Archer – Third quarter highlights 2018

- Best quarterly operating result in 3 years.
- Revenue of $213.7 million.
- EBITDA before exceptional items of $25.7 million, an increase of 45% from same quarter last year.
- EBITDA of $22.4 million, an increase of 75% from same quarter last year.
- EBIT of $8.6 million.
- Divestment of US Onshore (AWC Frac Valves) for $30 million.
- All geographies and segments reported positive EBITDA, including within Land Drilling.

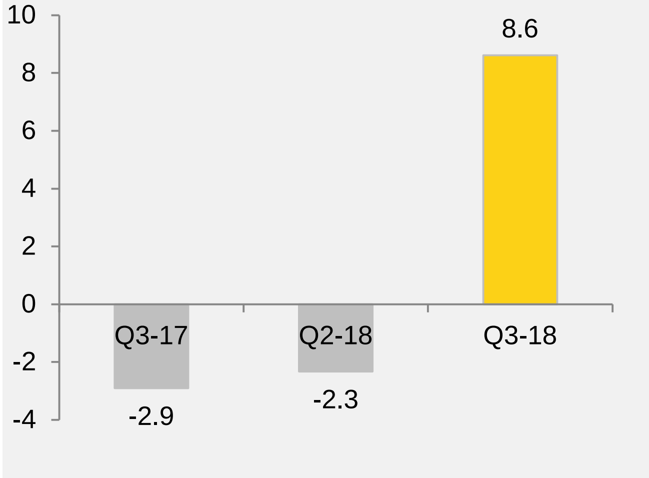
Revenue *[$m]*



EBITDA *[$m]*



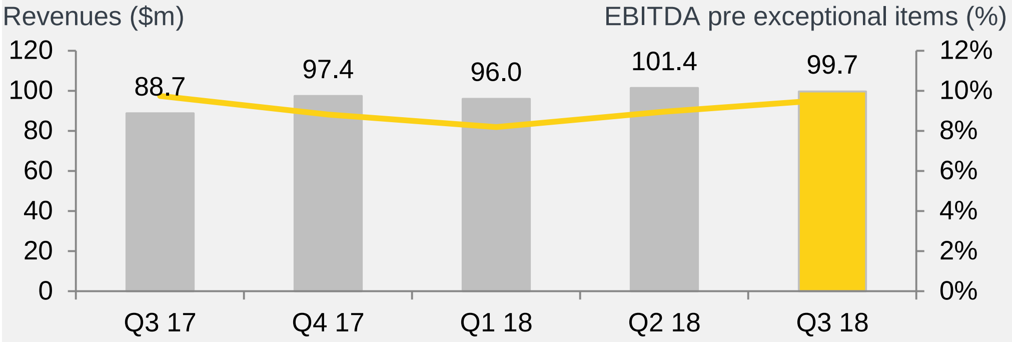
EBIT *[$m]*



Continued strong operating performance

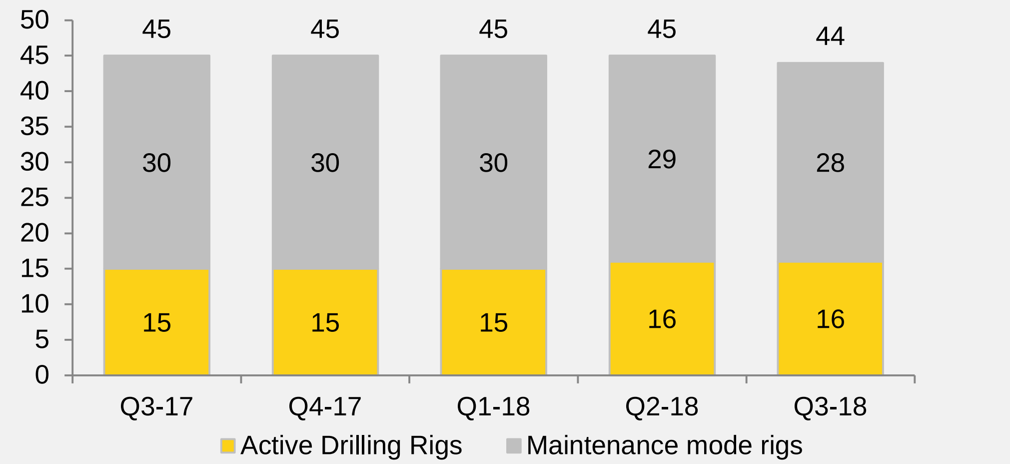
Archer

Revenue and EBITDA[1] *[$m and %]*



$m	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18
EBITDA pre except. items	8.6	8.6[2]	7.9	9.1	9.5
Capex	0.2	0.0	0.1	0.3	1.0

Platform Drilling contracted rigs[3] *[nr of rigs]*



Platform Drilling

- Slight decline in revenue mainly due to unfavorable foreign exchange effects.
- Stable and strong performance with 16 active rigs in the quarter.
- Have retained all contract extensions and won all competitive re-tenders for the last 4 years.
- 9 day strike offshore Norway in July had limited impact on revenue and margin.
- Start-up of new contract with Equinor with four new active rigs on 1 October 2018.
- Two platforms in the UK will be permanently abandoned during Q4.
- Have received three separate expressions of interest for projects with possible deployment of Modular Drilling Rigs in 2020.

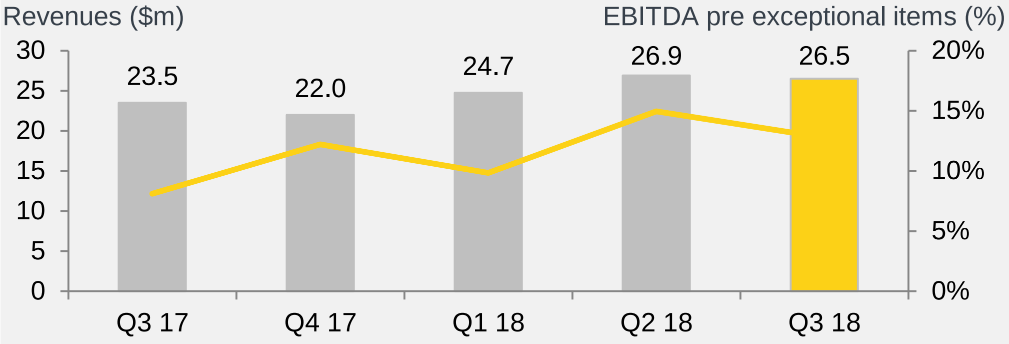
Engineering

- Steady growth in activity levels in Norway, while UK is still at a low. Revenue up 17% relative to previous quarter.

1) Note that Wireline previously included in segment "Platform Drilling, Engineering & Wireline" now moved to "Well Services" as of Q3 2018 and retrospectively
2) Less addition of internal allocation of group costs of $2.3m in Q4-17 previously reported
3) Eldfisk Alpha has been removed and is thus no longer counted as contracted. Has previously been idle / in maintenance mode. Corrected Q2-18 active platforms to 16.0, instead of previously reported 16.7

Provides high-end well integrity technologies and services

Revenue and EBITDA[1] *[$m and %]*

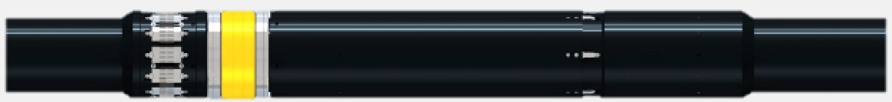


$m	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18
EBITDA pre except. items	1.9	2.7	2.4	4.0	3.4
Capex	0.4	2.0	0.3	0.4	0.9

Oiltools

- Revenue up 12% relative to corresponding quarter last year.
- Increased tender activity globally that should translate into increased earnings in 2019.
- First model of new Mechanical Annulus Packer qualified and received first order from major operator in the Middle East.

Mechanical Annulus Packer



- The MCAP – Mechanical Casing Packer system improves annular seal integrity and overcomes the shortcomings of cementing technology
- Annulus integrity is one of the major challenges facing the industry, both in terms of frequency and impact
- Designed initially for onshore Middle East markets

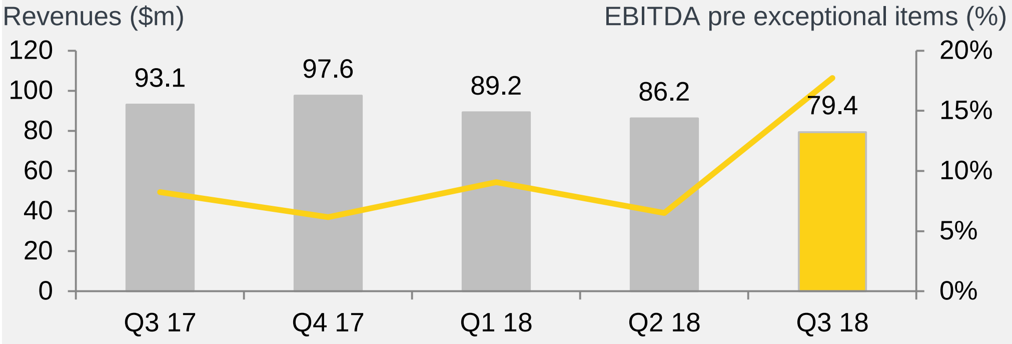
Wireline

- Slight quarterly decline in revenue due to lower logging activity relative to previous quarter.
- Strong demand for new VIVID™ tool – ramping up tool base to ensure deliveries on current demand.
- ComTrac commercialization expected to ramp up through Q4.

1) Note that Wireline previously included in segment “Platform Drilling, Engineering & Wireline” now moved to “Well Services” as of Q3 2018 and retrospectively

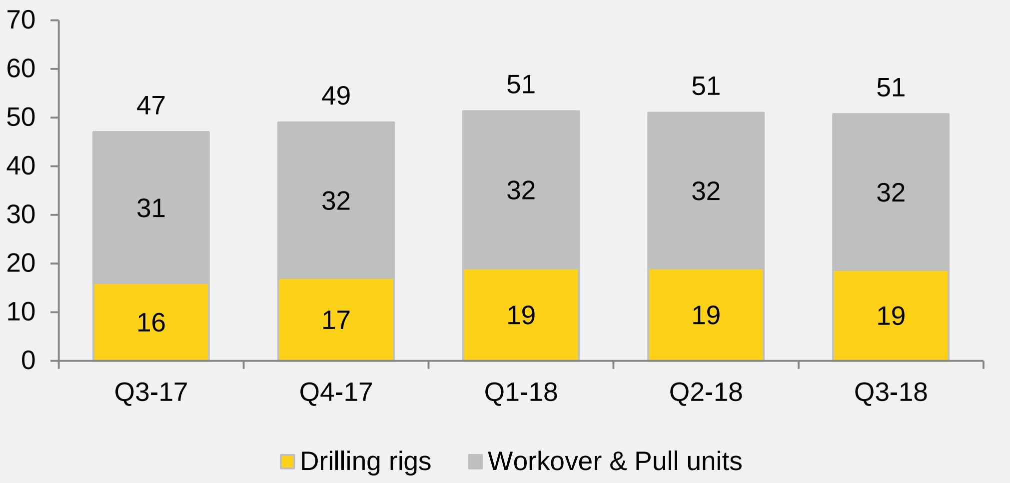
Significant margin growth driven by strong performance

Revenue and EBITDA *[$m and %]*



$m	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18
EBITDA pre except. items	7.7	6.0	8.1	5.6	14.1
Capex	0.7	3.4	1.8	3.8	2.5

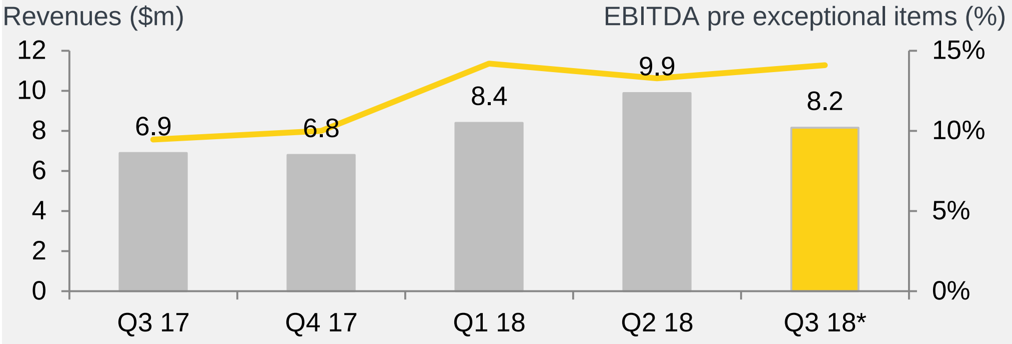
Archer active rigs *[nr of rigs]*



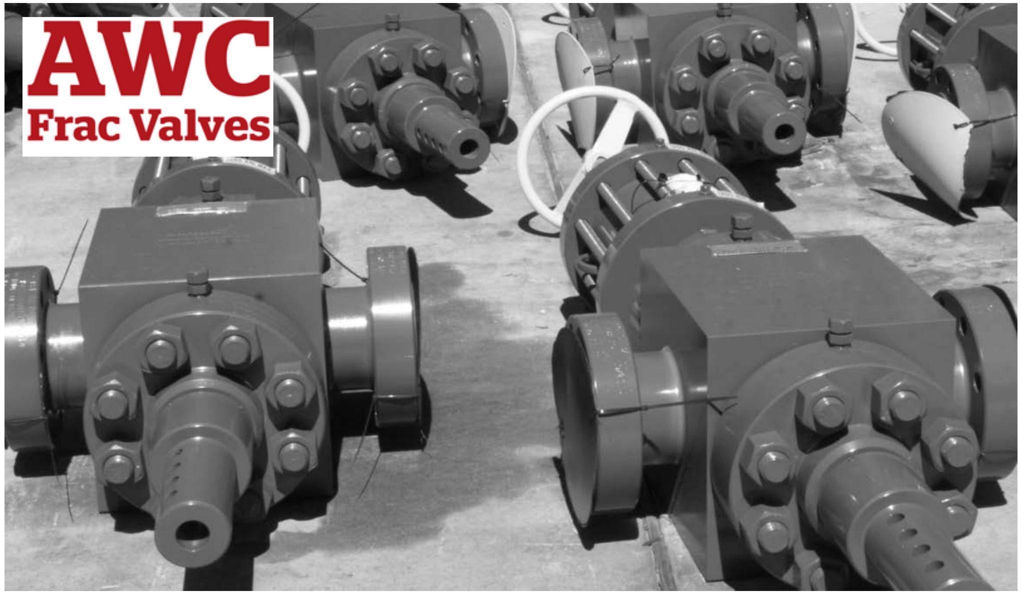
- All geographies and segments in Land Drilling reported positive EBITDA in the quarter on the back of strong operational performance and lower cost base.
- Third quarter is normally a good seasonal quarter with more uptime and number of days relative to second quarter.
- The restructuring exercise in the South of Argentina is progressing well, and cost to implement has been reduced with the Peso depreciation.
- Rig DLS 147 demobilized at the end of quarter from YPF in Tierra del Fuego. No current contract visibility.
- We expect Q4 revenues to be lower than Q3 based on the expectation that the average exchange rate will be lower quarter on quarter.

AWC Frac Valves divested on 31 August 2018

Revenue and EBITDA *[$m and %]*



$m	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18*
EBITDA pre except. items	0.7	0.7	1.2	1.3	1.1
Capex	0.0	0.8	0.1	0.0	0.0

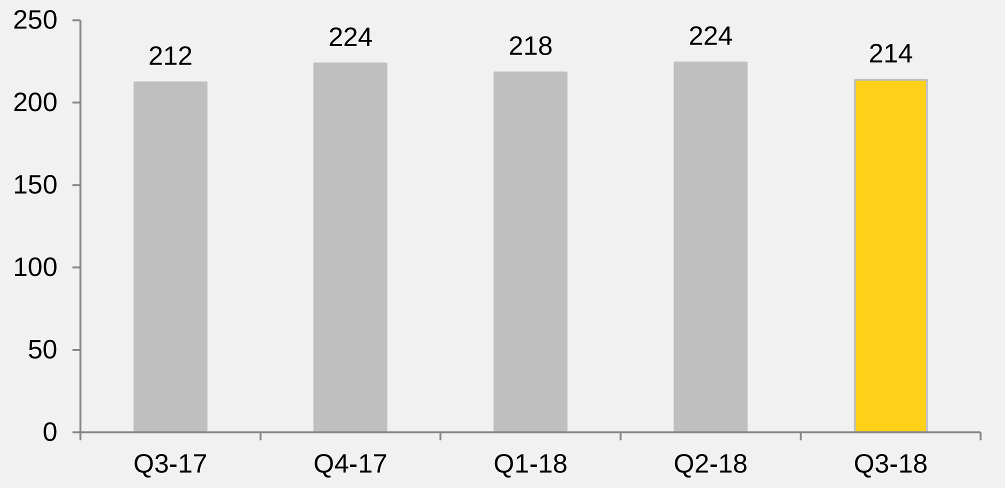


- AWC Frac valves reported $8.2 million in revenue and $1.1 million in EBITDA before being divested on 31 August 2018.
- Archer divested AWC Frac Valves to a US based private equity fund for $30 million on a debt- and cash-free basis.
- Archer can in addition receive an earn-out of up to $5 million based on full year 2018 results.
- The net proceeds of approximately $29 million was primarily used for debt repayments.
- The transaction generated an accounting gain of $8.9 million to Archer.
- The transaction supports Archer's strategy to focus its service portfolio and de-leverage the company.
- We will discontinue reporting US Onshore as of Q4 2018 as a result of the transaction.

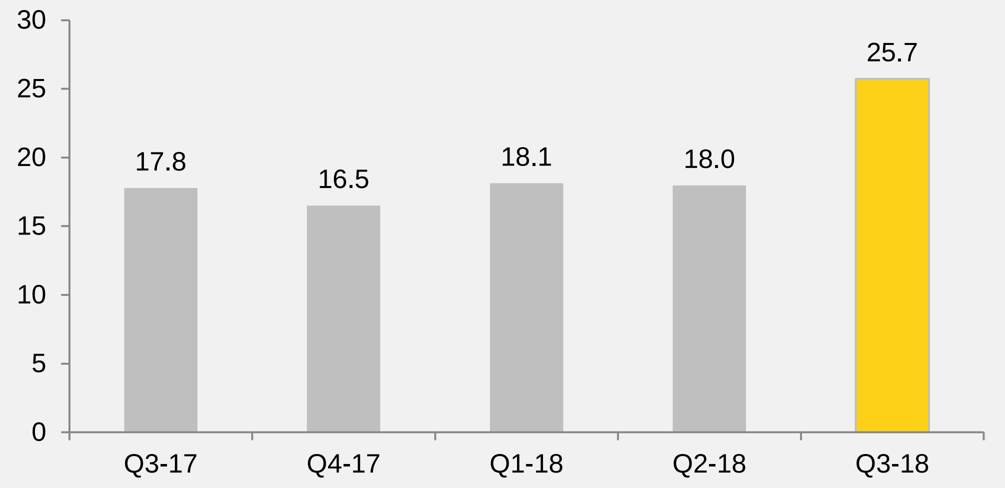
* = Financial results for July and August 2018

Archer Group – financial highlights third quarter 2018

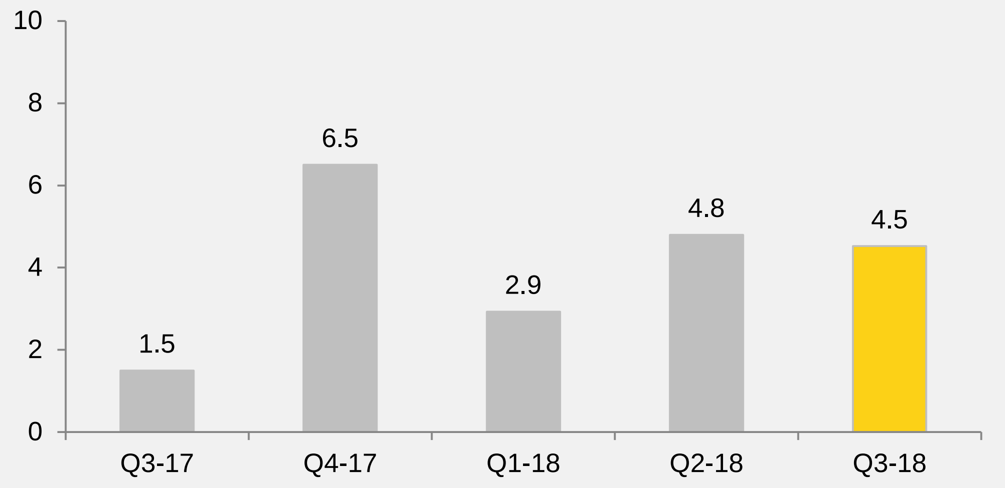
Revenue *[$m]*



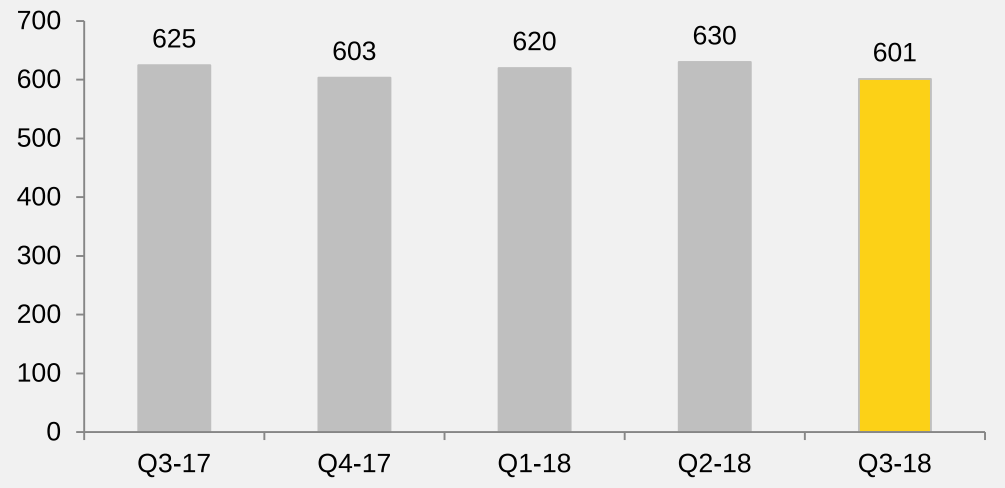
EBITDA before exceptional items *[$m]*



Capex *[$m]*

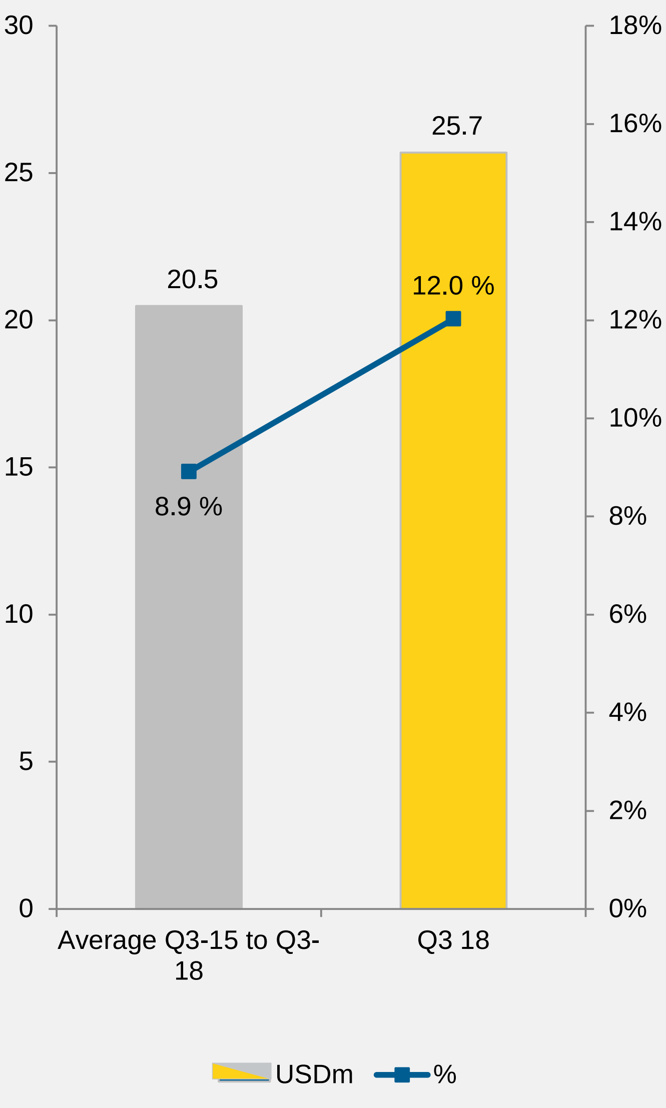


Net Interest Bearing Debt *[$m]*

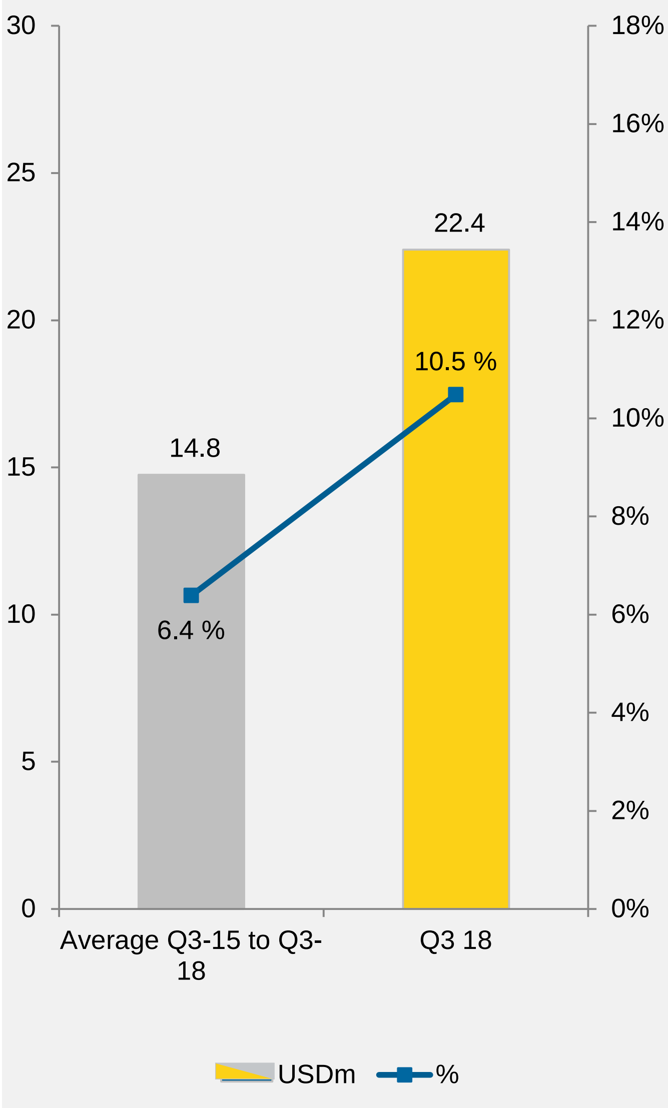


Significant margin expansion in Q3 2018 relative to average for the last 3 years

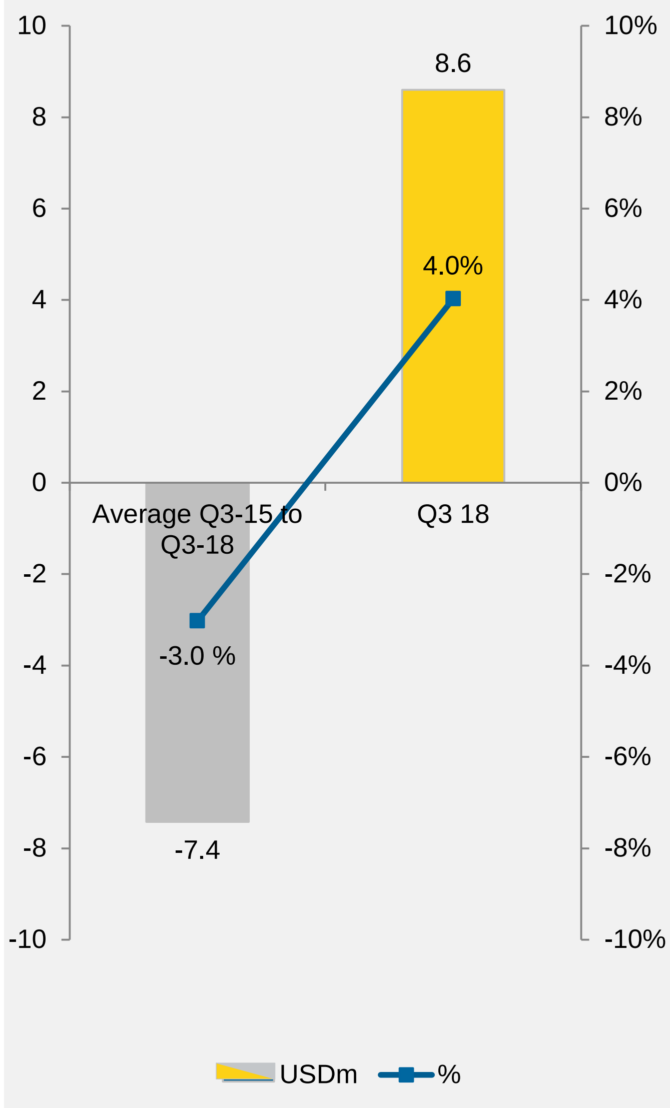
EBITDA pre exp. Items *[$m,%]*



EBITDA *[$m,%]*



EBIT *[$m,%]*



Condensed profit and loss statement

(Figures in $ million)	Q2 18	Q3 18	YTD 2017	YTD 2018
Operating revenues	204.0	192.9	585.7	598.5
Reimbursable revenue	20.4	20.8	37.4	58.0
Total Revenues	**224.4**	**213.7**	**623.1**	**656.5**
EBITDA before exceptional items	**18.0**	**25.7**	**50.8**	**61.8**
Exceptional items	(5.6)	(3.3)	(10.2)	(13.9)
EBITDA after exceptional items	**12.3**	**22.4**	**40.6**	**48.0**
Deprecation, amortization, impairments, other	(14.6)	(13.8)	(47.8)	(43.2)
EBIT	**(2.3)**	**8.6**	**(7.2)**	**4.8**
Result from associated entities	0.3	0.2	(15.1)	(3.5)
Interest rate expensed	(10.0)	(9.3)	(34.1)	(28.2)
Other financial costs	(10.1)	1.8	132.8	8.6
Net financial items	**(19.8)**	**(7.3)**	**83.6**	**(23.1)**
Net result before tax	**(22.1)**	**1.3**	**76.4**	**(18.3)**
Tax expense/(benefit)	14.7	5.6	9.6	22.2
Net result	**(7.4)**	**6.9**	**86.0**	**3.9**
Net loss from discontinued operations	-	-	(2.2)	-

- Third quarter revenue of $213.7 million was $10.6 million below second quarter 2018:
  - Land Drilling revenue fell by 8% as unfavorable foreign exchange movements reduced revenue by 13.8%.
  - Continued strong activity levels in all divisions in the Eastern Hemisphere. The revenue reduction was largely driven by unfavorable exchange rate in Platform Drilling (3.2%).
- EBITDA before exceptional items of $25.7 million, or 12% of revenue, is up 43% compared with previous quarter.
- Exceptional items are largely restructuring cost in Land Drilling. We expect this restructuring cost to be reduced going forward.
- Third quarter reported EBITDA was $22.4 million, or 10.5% of revenue, is up 82% compared with the second quarter.
- Positive EBIT of $8.6 million, or 4% of revenue.
- Net financial items ended up at negative $7.3 million in third quarter. Other financial costs of $1.8 million includes the net accounting gain from divestiture of AWC Frac Valves of $8.9 million, mainly offset by negative foreign exchange movements of the Argentine Peso versus USD. The 30% depreciation of the Peso working capital items from end of Q2 to end of Q3, resulted in $11.1 million of exchange losses.
- Positive Net Income of $6.9 million, or 3.2% of revenue.

Condensed balance sheet

(Figures in $ million)	30/09/17	30/06/18	30/09/18
ASSETS			
Cash, cash equivalents & restricted cash	50.9	33.2	27.3
Accounts receivables	153.9	140.0	124.4
Inventories	56.0	57.7	51.8
Other current assets	41.9	31.2	32.1
Total current assets	**302.7**	**262.1**	**235.6**
Investments and loans in associates	99.4	110.0	110.1
Property, plant and equipment, net	444.4	411.6	397.6
Goodwill	187.5	183.0	182.7
Other non-current assets	30.5	35.3	36.9
Total non-current assets	**761.8**	**739.9**	**727.3**
Total assets	**1064.5**	**1002.0**	**962.9**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current portion of interest-bearing debt	29.9	8.9	8.0
Accounts payable	49.2	51.8	45.3
Other current liabilities	110.1	100.8	89.4
Total current liabilities	**189.2**	**161.5**	**142.7**
Long-term interest-bearing debt	581.1	584.4	555.1
Subordinated related party loan	58.3	58.3	58.3
Deferred taxes	10.7	3.1	3.4
Other non-current liabilities	3.1	1.7	1.5
Total non-current liabilities	**653.2**	**647.5**	**618.3**
Shareholder's equity	222.1	**193.0**	**201.9**
Total liabilities and shareholders' equity	**1064.5**	**1002.0**	**962.9**

Assets

- Total assets for the third quarter decreased compared to the previous quarter, predominantly a result of the divestment of AWC Frac Valves in August 2018.
- The reduction in total assets is a result of reduction in cash and cash equivalents (down $5.9 million related to installments), accounts receivables (down $16.7 million, of which $8.0 million relates to AWC), property, plant and equipment reduction due to ordinary depreciation (down $13.8 million) and reduction in inventory (down $5.9 million of which $6.2 relates to AWC).

Liabilities

- Accounts payable reduced by $6.5 million in third quarter due to divestment of AWC Frac Valves ($3.1 million) in addition to 30% Pesos devaluation in Argentina.
- Other current liabilities reduced by $11.4 million in third quarter as a consequence of the mentioned Pesos devaluation in Argentina and payment of social security liabilities in Norway ($3.7 million).
- Net Interest Bearing Debt at end of September 2018 of $600.6 million is a decrease of $29.2 million compared to end of June 2018.
- Short term borrowing was $8.0 million (in line with previous quarter) and long term interest bearing debt was $613.4 million (down $29.2 million).
- The decrease in long term interest bearing debt is related to the installment payment on the facility after the divestment of AWC Frac Valves.

Equity

- Total equity of $201.9 million increased by $8.9 million compared to the previous quarter as a result of net reported gain of $6.9 million and currency translation differences.

We are delivering on our 2018 outlook previously stated

Archer

	2018 outlook - what we stated in previous quarters	Status
1	All business units in the Eastern Hemisphere experiencing increased demand with combined expected revenue growth of 15% over 2017.	Still applies
2	Average EBITDA margin before restructuring expected to improve 1-2% points over 2017.	Still applies
3	Improved EBITDA in second half of year on the back of higher activity, reduced cost and better terms in Land Drilling.	Still applies
4	Capex below 3% of revenue.	Still applies
5	Strategic process for onshore US ongoing.	Completed

Current performance and forecasted E&P growth provides good foundation for further growth in 2019

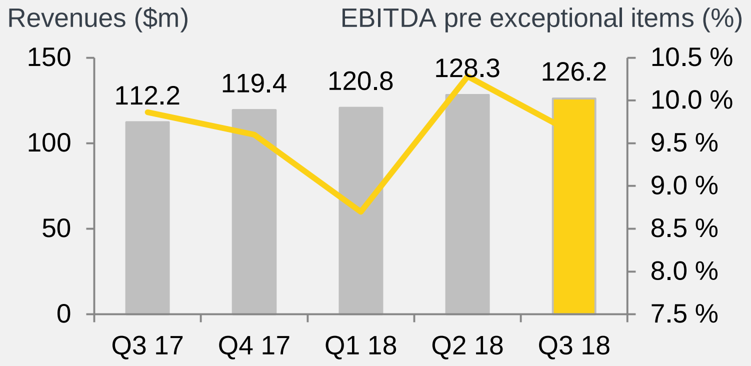
Appendices

Segment key financials

Eastern Hemisphere

Platform drilling & Engineering

Well Services

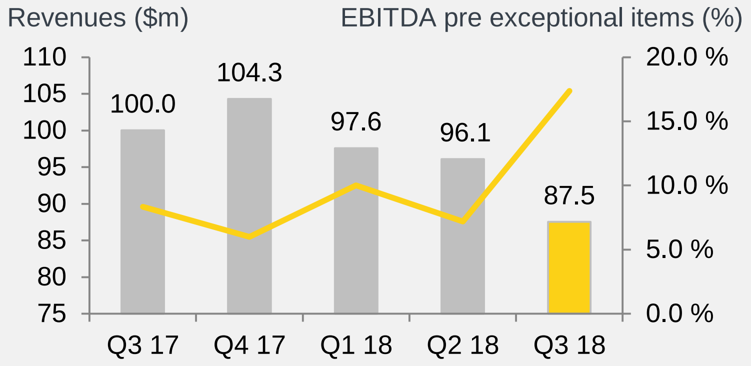


$m	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18
Revenues	112.2	119.4	120.8	128.3	126.2
EBITDA pre except. items	11.1	11.4	10.6	13.2	12.1
Capex	0.7	2.3	1.0	1.0	2.0

Western Hemisphere

US onshore

Land drilling



$m	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18
Revenues	100.0	104.3	97.6	96.1	87.5
EBITDA pre except. items	8.3	6.7	9.3	6.9	15.2
Capex	0.7	4.2	1.9	3.8	2.5

Condensed profit and loss statement – last 5 quarters

(Figures in $ million)	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	YTD 2017	YTD 2018
Operating revenues	199.9	204.0	201.6	204.0	192.9	585.7	598.5
Reimbursable revenue	12.4	19.7	16.7	20.4	20.8	37.4	58.0
Total Revenues	**212.3**	**223.7**	**218.3**	**224.4**	**213.7**	**623.1**	**656.5**
EBITDA before exceptional items	**17.8**	**16.5**	**18.1**	**18.0**	**25.7**	**50.8**	**61.8**
Severance payments	(2.3)	(1.2)	(2.5)	(4.5)	(2.5)	(4.3)	(9.3)
Idle personnel costs	(0.5)	(0.6)	(2.1)	(1.1)	(0.8)	(3.7)	(4.2)
Office costs	(1.9)	-	(0.4)			(1.9)	(0.4)
Other exceptional items	(0.3)	-	-			(0.3)	
Total Exceptional items	**(5.0)**	**(1.8)**	**(4.9)**	**(5.6)**	**(3.3)**	**(10.2)**	**(13.9)**
EBITDA after exceptional items	**12.8**	**14.7**	**13.2**	**12.3**	**22.4**	**40.6**	**48.0**
Deprecation, amortization, impairments, other	(15.7)	(18.2)	(14.7)	(14.6)	(13.8)	(47.8)	(43.2)
EBIT	**(2.9)**	**(3.5)**	**(1.5)**	**(2.3)**	**8.6**	**(7.2)**	**4.8**
Result from associated entities	(5.2)	0.2	(4.0)	0.3	0.2	(15.1)	(3.5)
Interest rate expensed	(10.1)	(8.9)	(8.9)	(10.0)	(9.3)	(34.1)	(28.2)
Other financial costs	9.2	(11.1)	16.9	(10.1)	1.8	132.8	8.6
Net financial items	**(6.1)**	**(19.8)**	4.0	**(19.8)**	**(7.3)**	**83.6**	**(23.1)**
Net result before tax	**(9.0)**	**(23.3)**	**2.5**	**(22.1)**	**1.3**	**76.4**	**(18.3)**
Tax expense	4.4	0.6	1.9	14.7	5.6	9.6	22.2
Net result	**(4.6)**	**(22.7)**	**4.4**	**(7.4)**	**6.9**	**86.0**	**3.9**
Net loss from discontinued operations	(2.2)	-	-				

Condensed balance sheet – last 5 quarters

(Figures in $ million)	30/09/17	31/12/17	31/03/18	30/06/18	30/09/18
ASSETS					
Cash, cash equivalents & restricted cash	50.9	67.7	50.8	33.2	27.3
Accounts receivables	153.9	140.4	145.6	140.0	124.4
Inventories	56.0	58.0	58.9	57.7	51.8
Other current assets	41.9	35.9	39.1	31.2	32.1
Total current assets	**302.7**	**302.0**	**294.4**	**262.1**	**235.6**
Investments and loans in associates	99.4	100.2	109.2	110.0	110.1
Property, plant and equipment, net	444.4	432.2	424.4	411.6	397.6
Goodwill	187.5	181.9	192.8	183.0	182.7
Other non current assets	30.5	26.6	30.0	35.3	36.9
Total noncurrent assets	**761.8**	**740.9**	**756.4**	**739.9**	**727.3**
Total assets	**1064.5**	**1042.9**	**1050.8**	**1002.0**	**962.9**
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current portion of interest-bearing debt	29.9	7.2	8.9	8.9	8.0
Accounts payable	49.2	53.6	55.0	51.8	45.3
Other current liabilities	110.1	117.0	115.3	100.8	89.4
Total current liabilities	**189.2**	**177.8**	**179.2**	**161.5**	**142.7**
Long-term interest-bearing debt	581.1	596.7	597.1	584.4	555.1
Subordinated related party loan	58.3	58.3	58.3	58.3	58.3
Deferred taxes	10.7	7.3	7.8	3.1	3.4
Other noncurrent liabilities	3.1	2.4	2.0	1.7	1.5
Total noncurrent liabilities	**653.2**	**664.7**	**665.2**	**647.5**	**618.3**
Shareholder's equity	**222.1**	**200.4**	**206.4**	**193.0**	**201.9**
Total liabilities and shareholders' equity	**1064.5**	**1042.9**	**1050.8**	**1002.0**	**962.9**

Condensed cash flow statement – last 5 quarters

(Figures in $ million)	Q3 17	Q4 17	Q1 18	Q2 18	Q3 18	YTD 2017	YTD 2018
Operating activities	(15.9)	32.4	(2.6)	4.9	(1.5)	(19.0)	0.8
Investing activities	3.1	(8.9)	(10.5)	(10.6)	30.1	(10.9)	9.0
Financing activities	(28.4)	(7.6)	0.8	(11.4)	(30.3)	30.9	(40.9)
FX effect	16.4	(1.5)	(2.3)	(5.4)	0.7	16.3	(7.1)
Total	**(24.8)**	**14.4**	**(14.7)**	**(22.5)**	**(1.0)**	**17.3**	**(38.2)**