

PACIFIC DRILLING V LIMITED

Balance Sheets
(in thousands) (unaudited)

	<u>December 31,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>
Assets:		
Cash and cash equivalents.....	\$ 1,309	\$ 235,670
Accounts receivable.....	70,255	—
Intercompany receivable.....	111,495	207,057
Materials and supplies.....	10,673	2,562
Current portion of deferred financing costs.....	2,294	2,424
Current portion of deferred costs.....	11,582	—
Prepaid expenses and other current assets.....	501	113
Total current assets.....	208,109	447,826
Property and equipment, net.....	670,714	227,926
Deferred financing costs.....	7,833	9,495
Other assets.....	13,551	—
Total assets.....	\$ 900,207	\$ 685,247
Liabilities and shareholders' equity:		
Accounts payable.....	\$ 7,761	\$ 2,985
Intercompany payable.....	76,699	—
Accrued expenses.....	4,190	1,075
Accrued interest.....	3,021	3,323
Current portion of deferred revenue.....	30,545	—
Total current liabilities.....	122,216	7,383
Long-term debt.....	497,892	497,458
Deferred revenue.....	29,207	—
Total long-term liabilities.....	527,099	497,458
Commitments and contingencies		
Shareholder's equity:		
Additional paid-in capital.....	260,904	186,339
Accumulated deficit.....	(10,012)	(5,933)
Total shareholder's equity.....	250,892	180,406
Total liabilities and shareholder's equity.....	\$ 900,207	\$ 685,247

PACIFIC DRILLING V LIMITED

Statements of Operations
(in thousands) (unaudited)

	Years Ended December 31,	
	2013	2012
Revenues		
Contract drilling.....	\$ 9,487	\$ —
Costs and expenses		
Operating expenses.....	(2,450)	—
Intercompany expenses.....	(7,509)	(5,897)
Depreciation expense.....	(1,259)	—
	(11,218)	(5,897)
Operating loss.....	(1,731)	(5,897)
Other income (expense)		
Interest expense.....	(1,569)	—
Other income (expense).....	(211)	(36)
Income before income taxes.....	(3,511)	(5,933)
Income tax expense.....	(568)	—
Net loss.....	\$ (4,079)	\$ (5,933)

Note to Statements of Operations: the years ended December 31, 2013 and 2012 include approximately 15 days and 0 days of revenues and contract drilling expenses, respectively. Each period presented includes a full year of non-capitalizable corporate overhead costs.

PACIFIC DRILLING V LIMITED

Statements of Cash Flows
(in thousands) (unaudited)

	Years Ended December 31,	
	2013	2012
Cash flow from operating activities:		
Net loss.....	\$ (4,079)	\$ (5,933)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation expense.....	1,259	—
Amortization of deferred revenue.....	(992)	—
Amortization of deferred costs.....	476	—
Amortization of deferred financing costs.....	89	—
Amortization of debt discount.....	19	—
Deferred income taxes.....	(2,446)	—
Changes in operating assets and liabilities:		
Accounts receivable.....	(70,255)	—
Materials and supplies.....	(8,111)	(2,562)
Prepaid expenses and other assets.....	(23,551)	(113)
Accounts payable and accrued expenses.....	36,507	1,665
Deferred revenue.....	31,537	—
Net cash used in operating activities.....	(39,547)	(6,943)
Cash flow from investing activities:		
Capital expenditures.....	(441,346)	(137,454)
Net cash used in investing activities.....	(441,346)	(137,454)
Cash flow from financing activities:		
Proceeds from long-term debt.....	—	497,415
Deferred financing costs.....	(294)	(12,121)
Contributed capital from parent.....	74,565	101,830
Intercompany, net.....	172,261	(207,057)
Net cash provided by (used in) financing activities.....	246,532	380,067
Increase (decrease) in cash and cash equivalents.....	(234,361)	235,670
Cash and cash equivalents, beginning of period.....	235,670	—
Cash and cash equivalents, end of period.....	\$ 1,309	\$ 235,670