

**PACIFIC DRILLING V LIMITED**

Balance Sheets  
(in thousands) (unaudited)

	<b>June 30, 2014</b>	<b>December 31, 2013</b>
	<u>2014</u>	<u>2013</u>
<b>Assets:</b>		
Cash and cash equivalents.....	\$ 8,467	\$ 1,309
Accounts receivable.....	48,057	70,255
Intercompany receivable.....	177,351	111,495
Materials and supplies.....	11,869	10,673
Deferred financing costs, current.....	2,387	2,294
Deferred costs, current.....	12,197	11,582
Prepaid expenses and other current assets.....	1,288	501
Total current assets.....	<u>261,616</u>	<u>208,109</u>
Property and equipment, net.....	654,113	670,714
Deferred financing costs.....	6,616	7,833
Other assets.....	7,950	13,551
Total assets.....	<u>\$ 930,295</u>	<u>\$ 900,207</u>
<b>Liabilities and shareholders' equity:</b>		
Accounts payable.....	\$ 5,381	\$ 7,761
Intercompany payable.....	97,982	76,699
Accrued expenses.....	5,634	4,190
Accrued interest.....	3,021	3,021
Deferred revenue, current.....	31,955	30,545
Total current liabilities.....	<u>143,973</u>	<u>122,216</u>
Long-term debt.....	498,126	497,892
Deferred revenue.....	14,883	29,207
Total long-term liabilities.....	<u>513,009</u>	<u>527,099</u>
Commitments and contingencies		
Shareholders' equity:		
Additional paid-in capital.....	260,904	260,904
Retained earnings (accumulated deficit).....	12,409	(10,012)
Total shareholders' equity.....	<u>273,313</u>	<u>250,892</u>
Total liabilities and shareholders' equity.....	<u>\$ 930,295</u>	<u>\$ 900,207</u>

**PACIFIC DRILLING V LIMITED**

Statements of Operations  
(in thousands) (unaudited)

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
<b>Revenues</b>				
Contract drilling.....	\$ 63,357	\$ —	\$ 102,337	\$ —
<b>Costs and expenses</b>				
Operating expenses.....	(16,614)	—	(32,870)	—
Intercompany expenses.....	(2,231)	(1,517)	(4,802)	(2,811)
Depreciation expense.....	(8,343)	—	(16,670)	—
	<u>(27,188)</u>	<u>(1,517)</u>	<u>(54,342)</u>	<u>(2,811)</u>
<b>Operating income (loss).....</b>	<b>36,169</b>	<b>(1,517)</b>	<b>47,995</b>	<b>(2,811)</b>
<b>Other income (expense)</b>				
Interest expense.....	(9,749)	—	(19,483)	—
Other expense.....	(77)	(56)	(65)	(139)
<b>Income (loss) before income taxes.....</b>	<b>26,343</b>	<b>(1,573)</b>	<b>28,447</b>	<b>(2,950)</b>
Income tax expense.....	(6,026)	—	(6,026)	—
<b>Net income (loss).....</b>	<b>\$ <u>20,317</u></b>	<b>\$ <u>(1,573)</u></b>	<b>\$ <u>22,421</u></b>	<b>\$ <u>(2,950)</u></b>

Note to Statements of Operations: the six months ended June 30, 2014 and June 30, 2013 include 181 and 0 days of revenues and contract drilling expenses, respectively. Each period presented includes a full six months of non-capitalizable corporate overhead costs.

**PACIFIC DRILLING V LIMITED**

Statements of Cash Flows  
(in thousands) (unaudited)

	<b>For the Six Months Ended June 30,</b>	
	<b>2014</b>	<b>2013</b>
<b>Cash flow from operating activities:</b>		
Net income (loss).....	\$ 22,421	\$ (2,950)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation expense.....	16,670	—
Amortization of deferred revenue.....	(16,080)	—
Amortization of deferred costs.....	6,074	—
Amortization of deferred financing costs.....	1,124	—
Amortization of debt discount.....	234	—
Changes in operating assets and liabilities:		
Accounts receivable.....	22,198	—
Materials and supplies.....	(1,196)	(3,747)
Prepaid expenses and other assets.....	(1,875)	(240)
Accounts payable and accrued expenses.....	5,000	(910)
Deferred revenue.....	3,166	—
Net cash provided by (used in) operating activities.....	57,736	(7,847)
<b>Cash flow from investing activities:</b>		
Capital expenditures.....	(6,005)	(52,243)
Net cash used in investing activities.....	(6,005)	(52,243)
<b>Cash flow from financing activities:</b>		
Payments for financing costs.....	—	(294)
Contributed capital from parent.....	—	74,421
Intercompany, net.....	(44,573)	(176,312)
Net cash used in financing activities.....	(44,573)	(102,185)
Increase (decrease) in cash and cash equivalents.....	7,158	(162,275)
Cash and cash equivalents, beginning of period.....	1,309	235,670
Cash and cash equivalents, end of period.....	\$ 8,467	\$ 73,395