

**PACIFIC DRILLING V LIMITED**

Balance Sheets  
(in thousands) (unaudited)

	<b>September 30,</b>	<b>December 31,</b>
	<b>2015</b>	<b>2014</b>
<b>Assets:</b>		
Cash and cash equivalents.....	\$ — <sup>(a)</sup>	\$ 7,001
Accounts receivable.....	24,609	42,035
Intercompany receivable.....	243,331	252,297
Materials and supplies.....	15,457	13,554
Deferred financing costs, current.....	2,636	2,484
Deferred costs, current.....	2,532	11,508
Prepaid expenses and other current assets.....	4,229	4,435
Total current assets.....	292,794	333,314
Property and equipment, net.....	619,952	640,165
Deferred financing costs.....	3,354	5,350
Total assets.....	\$ 916,100	\$ 978,829
<b>Liabilities and shareholder's equity:</b>		
Accounts payable.....	\$ 3,994	\$ 3,079
Intercompany payable.....	47,795	136,473
Accrued expenses.....	4,955	1,327
Accrued interest.....	12,083	3,021
Deferred revenue, current.....	7,119	30,678
Total current liabilities.....	75,946	174,578
Long-term debt, net of current maturities.....	498,753	498,369
Intercompany long-term debt.....	260,643	260,643
Other long-term liabilities.....	1,620	3,857
Total long-term liabilities.....	761,016	762,869
Commitments and contingencies		
Shareholder's equity:		
Retained earnings .....	79,138	41,382
Total shareholder's equity.....	79,138	41,382
Total liabilities and shareholder's equity.....	\$ 916,100	\$ 978,829

(a) September 30, 2015 cash balance is included in intercompany receivable.

**PACIFIC DRILLING V LIMITED**

Statements of Income  
(in thousands) (unaudited)

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>Revenues</b>				
Contract drilling.....	\$ 46,872	\$ 64,429	\$ 169,418	\$ 166,766
<b>Costs and expenses</b>				
Operating expenses.....	(14,103)	(17,211)	(46,816)	(50,082)
General and administrative intercompany expenses.....	(1,258)	(2,602)	(4,138)	(7,404)
Depreciation expense.....	(8,432)	(8,384)	(25,216)	(25,054)
	(23,793)	(28,197)	(76,170)	(82,540)
<b>Operating income</b> .....	23,079	36,232	93,248	84,226
<b>Other expense</b>				
Interest expense.....	(10,012)	(9,762)	(30,005)	(29,245)
Intercompany interest expense.....	(5,801)	—	(16,944)	—
Other expense.....	(29)	(7)	(65)	(71)
	7,237	26,463	46,234	54,910
<b>Income before income taxes</b> .....	7,237	26,463	46,234	54,910
Income tax expense.....	(2,565)	(3,322)	(8,478)	(9,348)
<b>Net income</b> .....	\$ 4,672	\$ 23,141	\$ 37,756	\$ 45,562

**PACIFIC DRILLING V LIMITED**

Statements of Cash Flows  
(in thousands) (unaudited)

	<b>Nine Months Ended September 30,</b>	
	<b>2015</b>	<b>2014</b>
<b>Cash flow from operating activities:</b>		
Net income .....	\$ 37,756	\$ 45,562
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense.....	25,216	25,054
Amortization of deferred revenue.....	(24,703)	(24,134)
Amortization of deferred costs.....	8,977	9,105
Amortization of deferred financing costs.....	1,844	1,703
Amortization of debt discount.....	384	354
Deferred income tax.....	(2,238)	—
Changes in operating assets and liabilities:		
Accounts receivable.....	17,426	46,798
Materials and supplies.....	(1,903)	(2,234)
Prepaid expenses and other assets.....	2,443	(1,125)
Accounts payable and accrued expenses.....	10,417	11,690
Deferred revenue.....	1,144	3,166
Net cash provided by operating activities.....	76,763	115,939
<b>Cash flow from investing activities:</b>		
Capital expenditures.....	(4,052)	(7,468)
Net cash used in investing activities.....	(4,052)	(7,468)
<b>Cash flow from financing activities:</b>		
Intercompany, net.....	(79,712)	(88,929)
Net cash used in financing activities.....	(79,712)	(88,929)
Increase (decrease) in cash and cash equivalents.....	(7,001)	19,542
Cash and cash equivalents, beginning of period.....	7,001	1,309
Cash and cash equivalents, end of period.....	\$ —	\$ 20,851