

PACIFIC DRILLING V LIMITED

Balance Sheets
(in thousands) (unaudited)

	June 30,	December 31,
	2015	2014
Assets:		
Cash and cash equivalents.....	\$ — ^(a)	\$ 7,001
Accounts receivable.....	42,562	42,035
Intercompany receivable.....	327,231	252,297
Materials and supplies.....	14,873	13,554
Deferred financing costs, current.....	2,584	2,484
Deferred costs, current.....	5,557	11,508
Prepaid expenses and other current assets.....	4,541	4,435
Total current assets.....	397,348	333,314
Property and equipment, net.....	627,435	640,165
Deferred financing costs.....	4,032	5,350
Total assets.....	\$ 1,028,815	\$ 978,829
Liabilities and shareholder's equity:		
Accounts payable.....	\$ 6,001	\$ 3,079
Intercompany payable.....	164,503	136,473
Accrued expenses.....	4,556	1,327
Accrued interest.....	3,021	3,021
Deferred revenue, current.....	15,385	30,678
Total current liabilities.....	193,466	174,578
Long-term debt, net of current maturities.....	498,623	498,369
Intercompany long-term debt.....	260,643	260,643
Other long-term liabilities.....	1,618	3,857
Total long-term liabilities.....	760,884	762,869
Commitments and contingencies		
Shareholder's equity:		
Retained earnings	74,465	41,382
Total shareholder's equity.....	74,465	41,382
Total liabilities and shareholder's equity.....	\$ 1,028,815	\$ 978,829

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

PACIFIC DRILLING V LIMITED

Statements of Income
(in thousands) (unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2015	2014	2015	2014
Revenues				
Contract drilling.....	\$ 63,342	\$ 63,357	\$ 122,546	\$ 102,337
Costs and expenses				
Operating expenses.....	(16,888)	(16,614)	(32,713)	(32,870)
General and administrative intercompany expenses.....	(1,320)	(2,231)	(2,881)	(4,802)
Depreciation expense.....	(8,424)	(8,343)	(16,784)	(16,670)
	(26,632)	(27,188)	(52,378)	(54,342)
Operating income	36,710	36,169	70,168	47,995
Other income (expense)				
Interest expense.....	(10,000)	(9,749)	(19,993)	(19,483)
Intercompany interest expense.....	(10,985)	—	(11,143)	—
Other expense.....	(37)	(77)	(35)	(65)
Income before income taxes	15,688	26,343	38,997	28,447
Income tax expense.....	(3,008)	(6,026)	(5,914)	(6,026)
Net income	\$ 12,680	\$ 20,317	\$ 33,083	\$ 22,421

PACIFIC DRILLING V LIMITED

Statements of Cash Flows
(in thousands) (unaudited)

	Six Months Ended June 30,	
	2015	2014
Cash flow from operating activities:		
Net income	\$ 33,083	\$ 22,421
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation expense.....	16,784	16,670
Amortization of deferred revenue.....	(16,306)	(16,080)
Amortization of deferred costs.....	5,952	6,074
Amortization of deferred financing costs.....	1,218	1,124
Amortization of debt discount.....	254	234
Deferred income tax.....	(2,238)	—
Changes in operating assets and liabilities:		
Accounts receivable.....	(527)	22,198
Materials and supplies.....	(1,319)	(1,196)
Prepaid expenses and other assets.....	2,131	(1,875)
Accounts payable and accrued expenses.....	3,025	5,000
Deferred revenue.....	1,013	3,166
Net cash provided by operating activities.....	43,070	57,736
Cash flow from investing activities:		
Capital expenditures.....	(3,167)	(6,005)
Net cash used in investing activities.....	(3,167)	(6,005)
Cash flow from financing activities:		
Intercompany, net.....	(46,904)	(44,573)
Net cash used in financing activities.....	(46,904)	(44,573)
Increase (decrease) in cash and cash equivalents.....	(7,001)	7,158
Cash and cash equivalents, beginning of period.....	7,001	1,309
Cash and cash equivalents, end of period.....	\$ —	\$ 8,467