



Investor Presentation

May 2017



Forward Looking Statements Caution



The following presentation contains certain statements that may be deemed to be “forward-looking statements” within the meaning of the securities laws of the United States. All statements, other than statements of historical facts, addressing activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future, the outlook for equipment and utilization and day rates, general industry conditions including bidding activity, future results of the Company’s operations, capital expenditures, income tax matters, expansion and growth opportunities, financing activities, debt repayment, returns on capital, cash flows and other such matters, are forward-looking statements. Although the Company believes its expectations stated in this presentation are based on reasonable assumptions, actual results may differ materially from those expressed or implied in the forward-looking statements. For a more detailed discussion of risk factors, please refer to the Company’s reports filed with the SEC, including the reports on Forms 10-K and 10-Q. Each forward-looking statement speaks only as of the date of this presentation, and the Company undertakes no obligation to publicly update or revise any forward-looking statement.

Strategic Profile

A premier provider of specialized drilling services and rental tools in select U.S. and international markets

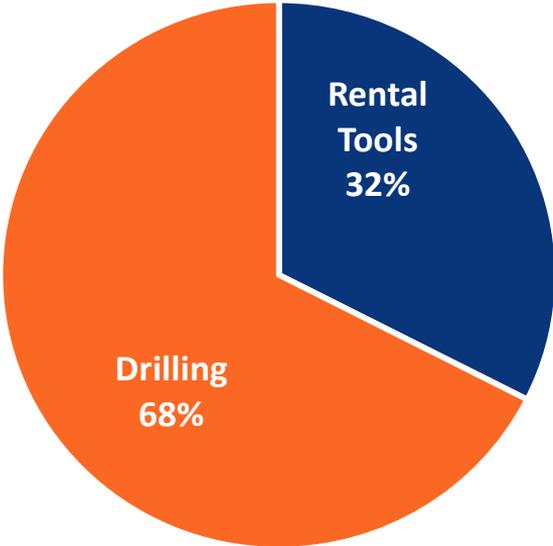


- Long history of operational excellence
- Reputation for helping customers safely manage costs and mitigate operating risks
- Positioned for growth
- Maintained financial strength during downturn

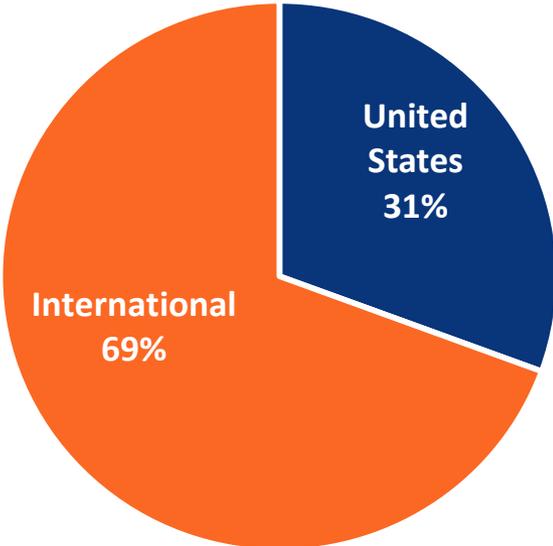
Delivering innovative, reliable and efficient performance for over 80 years

Revenue Profile

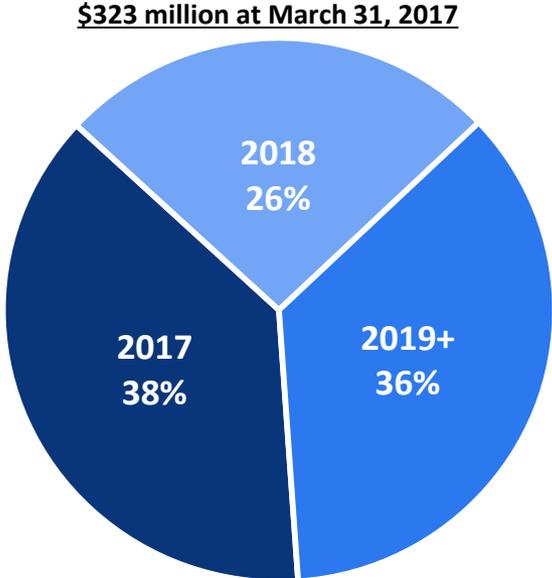
Portfolio¹



Geography¹



Backlog²



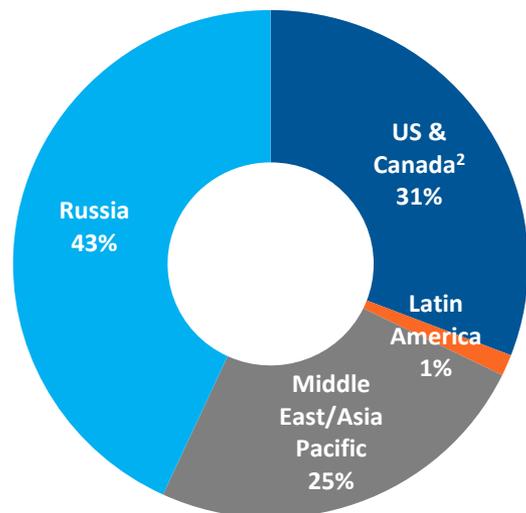
¹Prior four quarters thru 1Q'17

²Worldwide revenue backlog is an estimate of drilling revenues from drilling contracts. It does not include rental revenues and all other revenues we may earn, including those for added services, reimbursables, mobilization or demobilization; nor does it anticipate revenue reductions that may be due to conditions that would lead to reduced dayrates or early terminations.

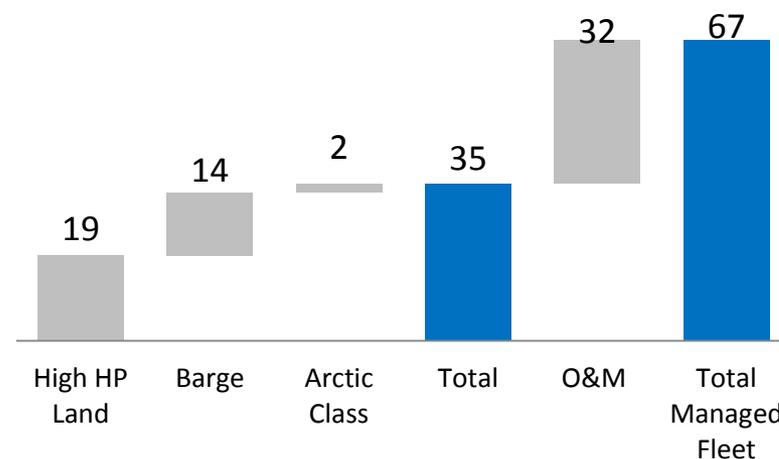
Operating Strengths

- Highly capable fleet to meet complex drilling requirements
- O&M contracts leverage drilling experience and expertise
- Building scale in large and growing international markets
- Market share leader for barge rigs in the Gulf of Mexico

Revenues by Geography¹



Rig Fleet³



¹ Prior four quarters thru 1Q'17, excludes reimbursable revenues

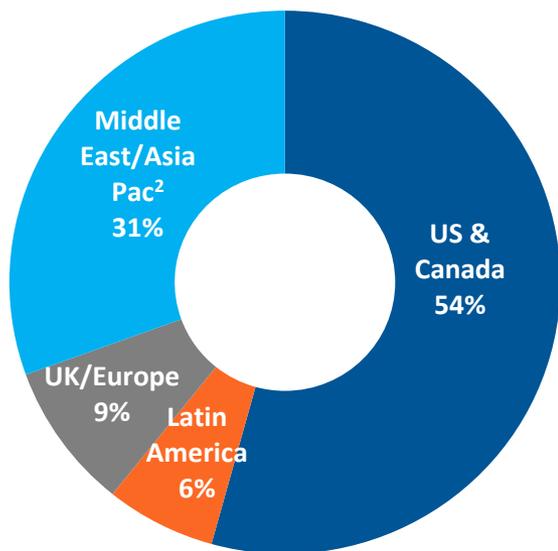
² Includes US Lower 48, Alaska, and Canada

³ As of March 31, 2017

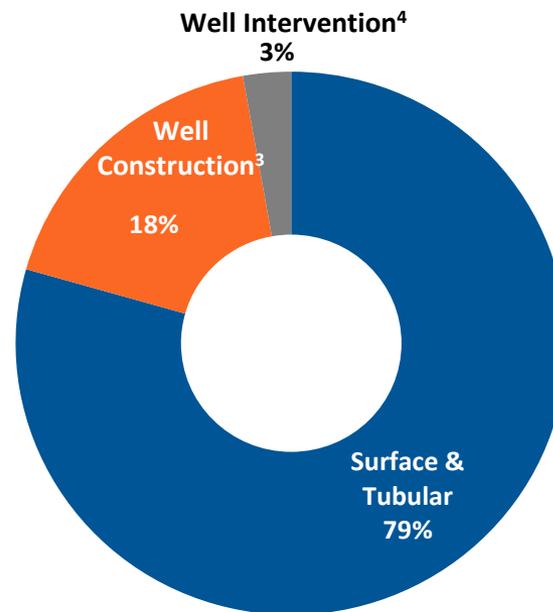
Operating Strengths

- A leading supplier in U.S. land, U.S. offshore and international markets
- Strong growth in up cycles
- A solid international platform with major presence in Middle East
- Established in Gulf of Mexico offshore deepwater market

Revenues by Geography¹



Revenues by Product Offering¹



¹ Prior four quarters thru 1Q'17

² Includes Africa, Middle East, Asia Pacific, and Russia.

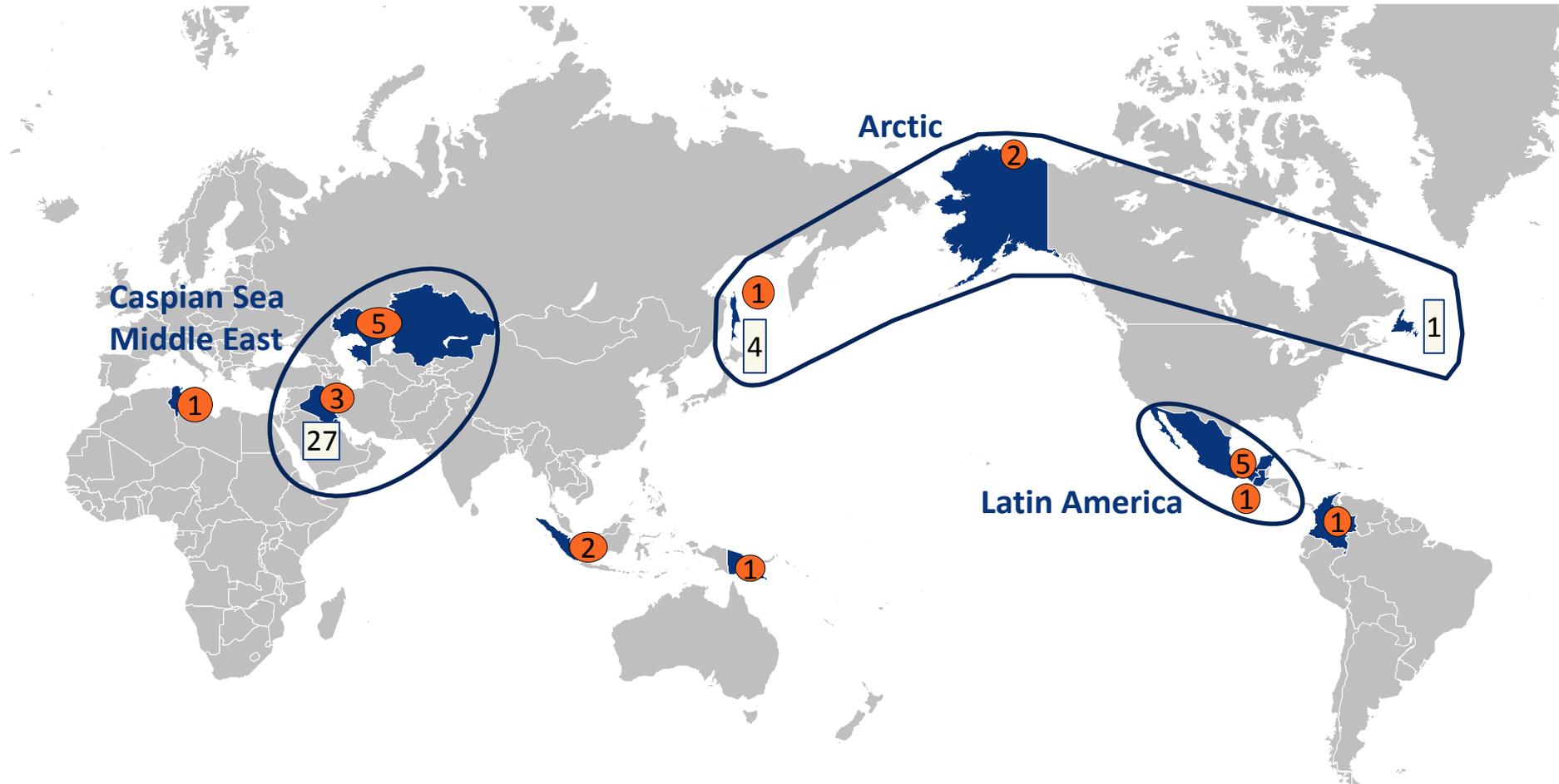
³ Tubular running services and BHA drilling tools

⁴ Fishing services and re-entry (whipstock)

Positioned to build on track record and strong market presence to benefit from industry recovery

- **Focusing on profitable growth markets and customers that reward efficiency, safety and results**
- **Leveraging reputation as innovative, reliable and efficient operator to grow market share**
- **Able to quickly reactivate quality idle assets to generate good margins as market conditions improve**

Growth Opportunities in Core Intl. Markets



Increased tendering activity in markets with idle Parker-owned rigs including Kazakhstan, Kurdistan and Mexico

2 Location and number of Parker-owned rigs

1 Location and number of O&M operations

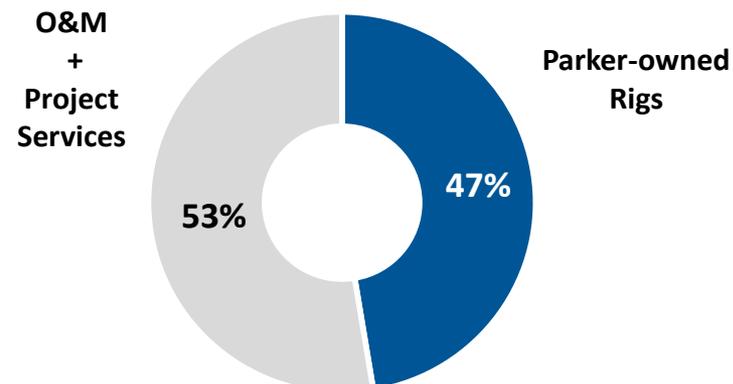
Core PKD market/region

Note: Rig count as of March 31, 2017

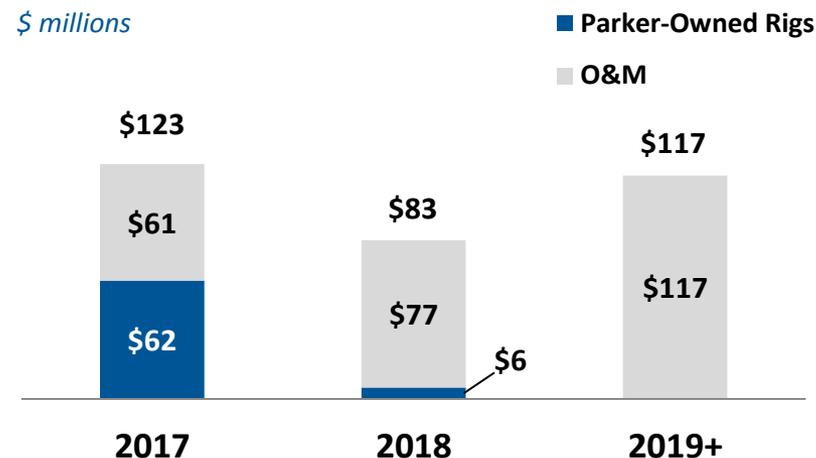
Expanding O&M Business

- O&M service scope can be scaled to customer needs with typically longer-term (2+ years) contracts
- Capital-light business model
- Enhance overall returns on capital
- O&M contracts enhance earnings and cash flow visibility

Drilling Revenues by Service Type ^{1,2}



Total Contracted Backlog ³



Total backlog of \$323 million at March 31, 2017

¹ Prior four quarters thru 1Q'17

² Excluding reimbursables

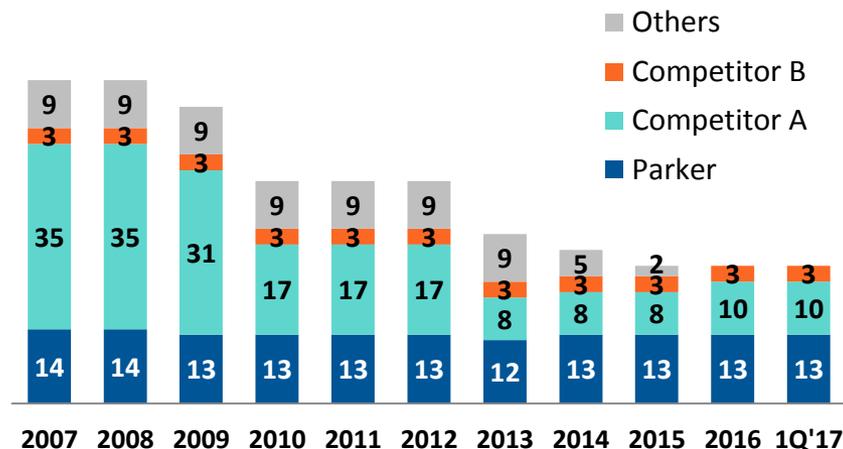
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Maintain U.S. Barge Business for Recovery

Unique Operating Strengths

- **GOM inland water market remains attractive with low breakeven oil price**
- **Strong operating leverage to recovery**
 - Minimal capital expenditures required to restart idle assets
- **Market Leader with solid historical results**
 - 2014 Gross Margin: \$68mm
 - 2014 Utilization: 72%
- **Breakeven Gross Margin projected at approx. 30% utilization¹**

Historical Barge Rig Count



Rig 30B

¹ Adjusting for start-up expenses

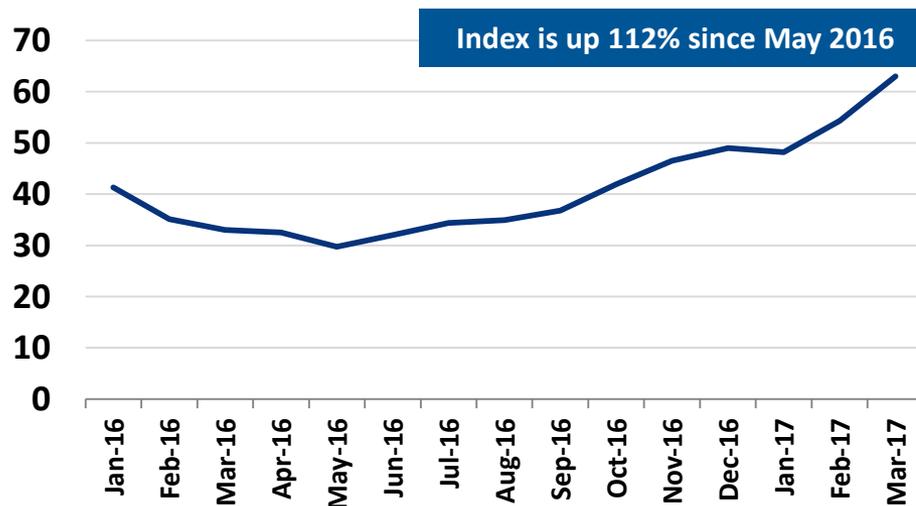
U.S. Rentals – Leading U.S. Supplier



Unique Operating Strengths

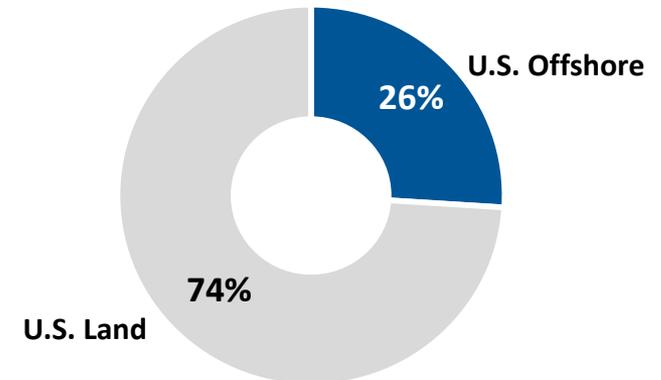
- **Leading supplier in every major U.S. basin**
- **Diverse mix of customers in U.S. land and U.S. offshore markets**
- **Strong growth in up cycles, resilient operating margins in down cycles**

Parker U.S. Tubular Goods Utilization Index¹

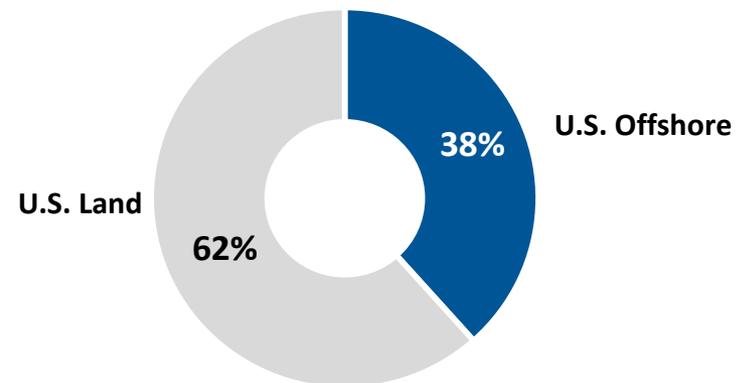


U.S. Rental Revenues by Market

2014 Revenues

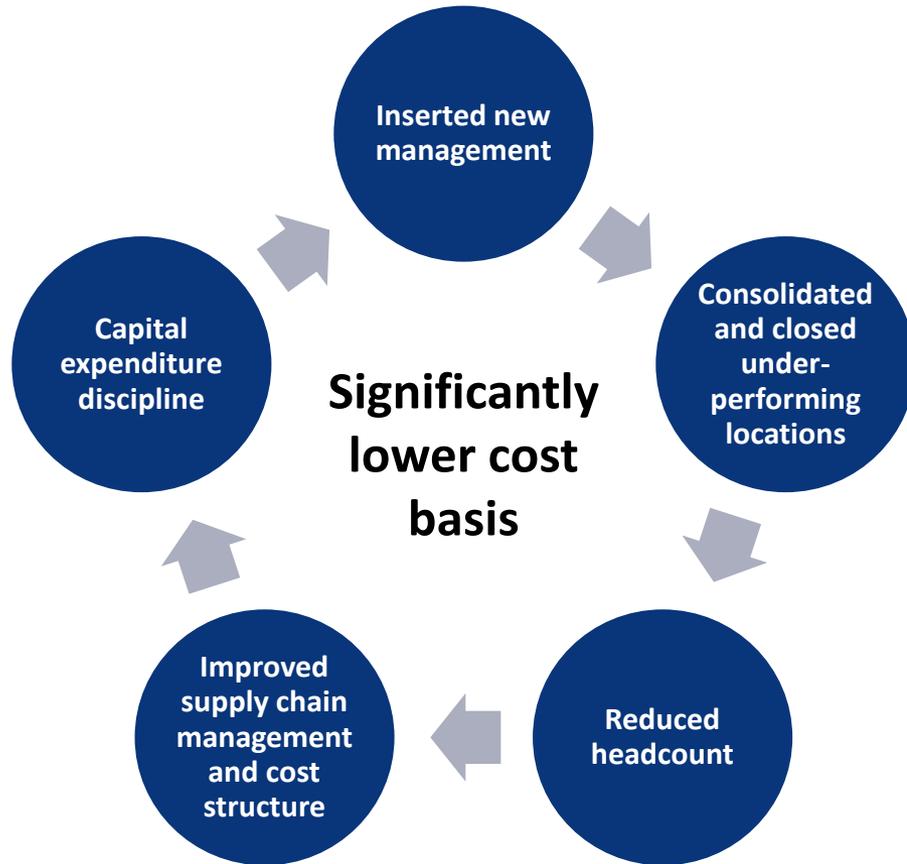


1Q'17 TTM Revenues



¹ The Parker U.S. Tubular Goods Utilization Index represents the proportion of tubular goods (drill pipe and related products) that were on rental compared to the total inventory of tubular goods, and indexed to a base level of tubular goods inventory on rental. Tubular goods rentals do not account for all the U.S. Rental Tools segment's revenues.

Actions Taken

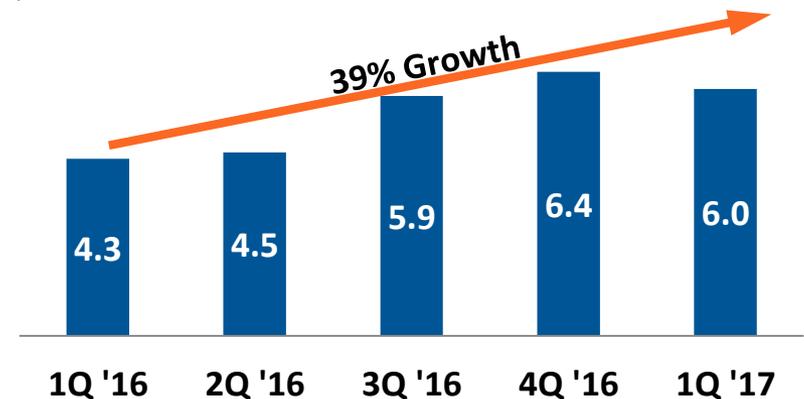


Forward Plan

- Focusing on core markets with sustainable activity
- Actively tendering new opportunities to gain market share
- Cash flow discipline
- Automated Casing Running Tool (CRT) performance exceeding competitive technologies

Well Construction Revenues Growth

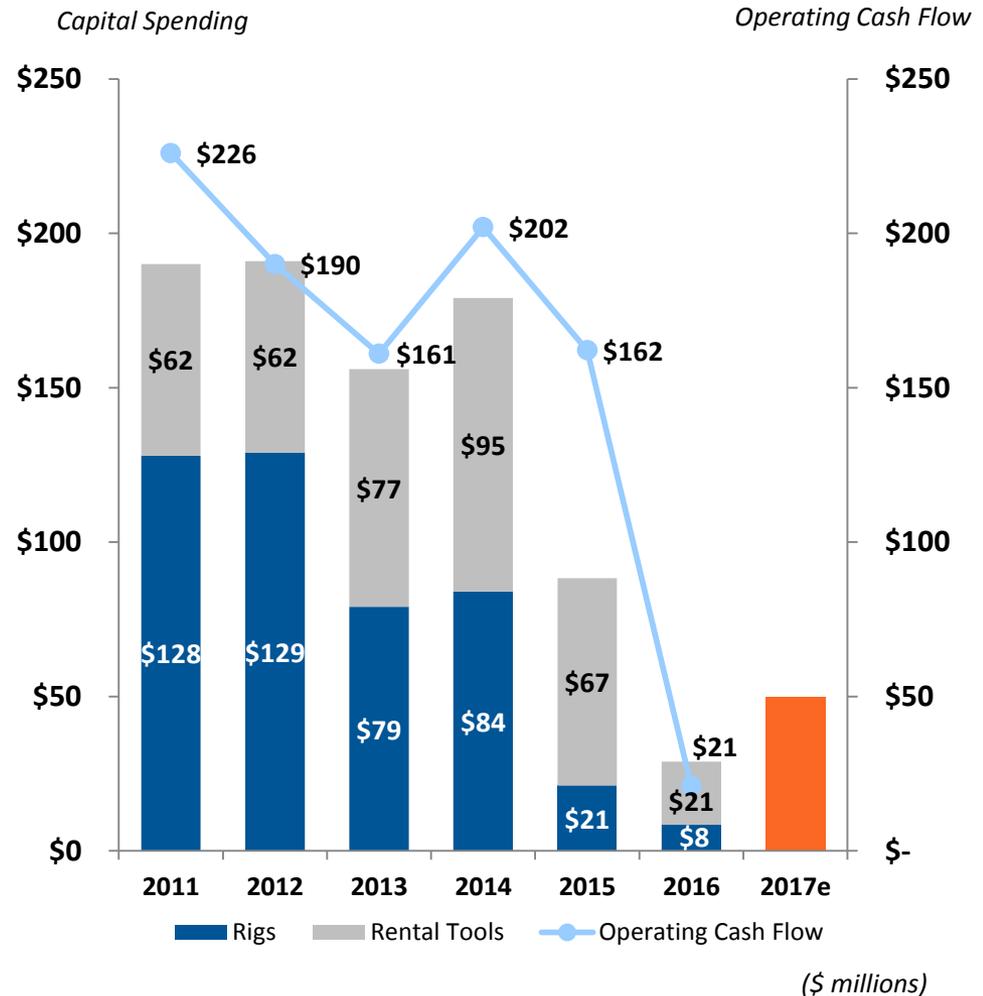
\$ millions



Action Items

- Continue to safely manage costs while maintaining strong business lines
- Continue to balance capital spending and cash flow
- Spend ≈\$50 million in capex in 2017, including growth capital
- Be ready to adjust capital spending to align with market conditions

Cash Flow and Capital Spending



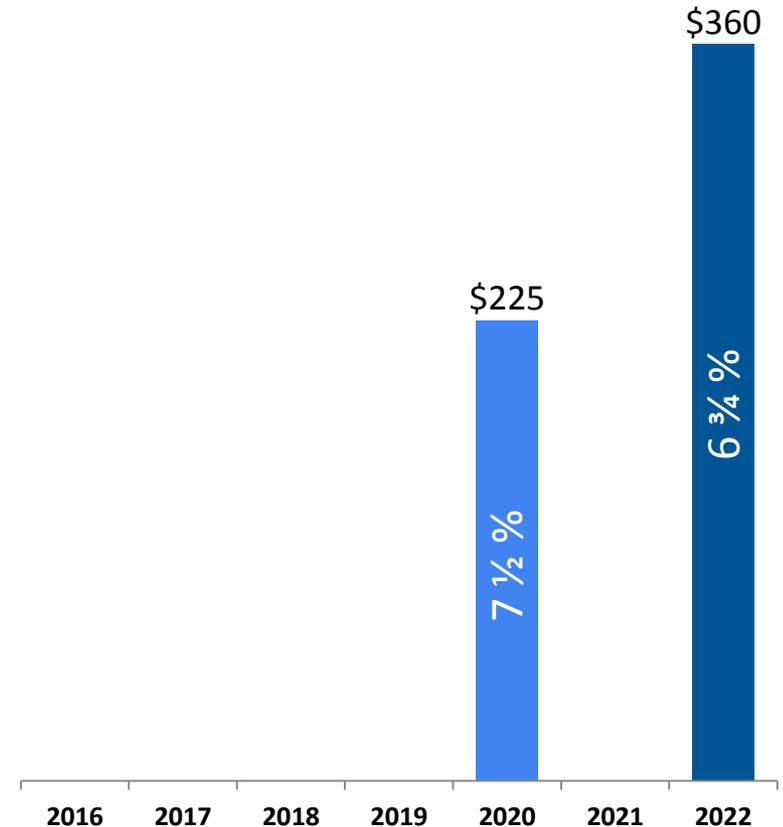
Maintaining Strength & Financial Flexibility



Financial Position

(\$ millions)	3/31/2017
Cash	150
Credit Facility Availability ¹	93
Liquidity	243
Revolver Borrowings	0

Senior Notes Maturity Schedule



¹ Portion used to support letters of credit is deducted: \$6 million at 3/31/17. Credit facility availability limited by Senior Secured Leverage covenant: \$1 million at 3/31/2017

- **Well positioned to participate in market recovery**
 - Quality idle equipment located in improving markets that can be put back to work relatively quickly
- **Leveraging reputation as innovative, reliable and efficient provider to maintain and grow market share**
 - Long established relationship with major companies that are expected to become more active
- **Strong balance sheet, liquidity and backlog**
 - \$243 million liquidity, including undrawn revolver
 - \$323 million contract backlog



PARKER DRILLING

