

August 6, 2013



Parker Drilling Reports Corrected 2013 Second Quarter Results

HOUSTON, Aug. 6, 2013 /PRNewswire/ -- [Parker Drilling Company](#) (NYSE:PKD), an international drilling services and rental tools provider, today issued a correction to its previously announced earnings report for the quarter ended June 30, 2013. This corrected report reflects additional non-routine expense of \$2.5 million for the second quarter related to the April 2013 acquisition of International Tubular Services Limited (ITS) and certain affiliates. The effect of this expense, net of the related income tax benefit, reduced the company's net income as previously reported by \$1.7 million, or \$0.01 per diluted share, for the quarter ended June 30, 2013.

(Logo: <https://photos.prnewswire.com/prnh/20050620/PARKERDRILLINGLOGO>)

As a result of this change, Parker Drilling reported \$8.3 million in net income and \$0.07 per diluted share on revenues of \$226.0 million for the quarter. This change is associated with non-routine expenses associated with the ITS acquisition. Net income and earnings per share, when adjusted for these non-routine expenses, remained at \$17.3 million and \$0.14 per diluted share. Adjusted EBITDA, excluding non-routine expenses, remained at \$71.4 million.

Cautionary Statement

This press release contains certain statements that may be deemed to be "forward-looking statements" within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. All statements in this press release other than statements of historical facts that address activities, events or developments that the Company expects, projects, believes, or anticipates will or may occur in the future are forward-looking statements. These statements include, but are not limited to, statements about anticipated future financial or operational results; the outlook for rig utilization and dayrates; general industry conditions such as the demand for drilling and the factors affecting demand; competitive advantages such as technological innovation; future operating results of the Company's rigs, rental tools operations and projects under management; capital expenditures; expansion and growth opportunities; acquisitions or joint ventures; asset sales; successful negotiation and execution of contracts; scheduled delivery of drilling rigs for operation; the strengthening of the Company's financial position; increases in market share; outcomes of legal proceedings and investigations; compliance with credit facility and indenture covenants; and similar matters. These statements are based on certain assumptions made by the Company based on management's experience and perception of historical trends, current conditions, anticipated future developments and other factors believed to be appropriate. Although the Company believes that its expectations stated in this press release are based on reasonable assumptions, such statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond the control of the Company, that could cause actual

results to differ materially from those implied or expressed by the forward-looking statements. These include risks relating to changes in worldwide economic and business conditions that could adversely affect market conditions, fluctuations in oil and natural gas prices that could reduce the demand for drilling services, changes in laws or government regulations that could adversely affect the cost of doing business, our ability to refinance our debt and other important factors that could cause actual results to differ materially from those projected as described in the Company's reports filed with the Securities and Exchange Commission. See "Risk Factors" in the Company's Annual Report filed on Form 10-K and other public filings and press releases. Each forward-looking statement speaks only as of the date of this press release and the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Company Description

Parker Drilling (NYSE: PKD) provides high-performance contract drilling solutions, rental tools and project management services to the energy industry. Parker Drilling's active rig fleet includes 21 land rigs and one offshore barge rig in international locations, 12 barge rigs in the U.S. Gulf of Mexico, and two land rigs in Alaska. The Company's rental tools business supplies premium equipment and well services to operators on land and offshore in the U.S. and international markets. Parker Drilling also performs contract drilling for customer-owned rigs and provides technical services addressing drilling challenges for E&P customers worldwide. More information about Parker Drilling can be found on the Company's website including operating status reports for the Company's U.S. Rental Tools business and its international and U.S. Gulf of Mexico rig fleets, updated monthly.

PARKER DRILLING COMPANY

Consolidated Condensed Balance Sheets

(Dollars in Thousands)

| June 30, 2013 | June 30, 2013 | June 30, 2013 | |
|--|--------------------------|--------------------------|------------------------------|
| As Previously Announced | Adjustments | As Corrected | December 31, 2012 |
| (Unaudited) | (Unaudited) | (Unaudited) | |

ASSETS

CURRENT ASSETS

| | | | | | |
|---------------------------|----|---------------|----|---------------|--------|
| Cash and Cash Equivalents | \$ | 69,608 | \$ | 69,608 | 87,886 |
|---------------------------|----|---------------|----|---------------|--------|

| | | | | |
|------------------------------------|----------------|---|----------------|---------|
| Accounts and Notes Receivable, Net | 251,440 | - | 251,440 | 168,562 |
|------------------------------------|----------------|---|----------------|---------|

| | | | | |
|----------------------------|---------------|---|---------------|--------|
| Rig Materials and Supplies | 39,229 | - | 39,229 | 28,860 |
|----------------------------|---------------|---|---------------|--------|

| | | | | |
|----------------|---------------|---|---------------|-------|
| Deferred Costs | 10,822 | - | 10,822 | 1,089 |
|----------------|---------------|---|---------------|-------|

| | | | | |
|-----------------------|---------------|---|---------------|-------|
| Deferred Income Taxes | 16,411 | - | 16,411 | 8,742 |
|-----------------------|---------------|---|---------------|-------|

| | | | | |
|----------------------|--------------|---|--------------|-------|
| Assets Held for Sale | 8,656 | - | 8,656 | 6,800 |
|----------------------|--------------|---|--------------|-------|

| | | | | |
|----------------------|---------------|---|---------------|--------|
| Other Current Assets | 33,540 | - | 33,540 | 46,345 |
|----------------------|---------------|---|---------------|--------|

| | | | | |
|----------------------|----------------|---|----------------|---------|
| TOTAL CURRENT ASSETS | 429,706 | - | 429,706 | 348,284 |
|----------------------|----------------|---|----------------|---------|

| | | | | |
|------------------------------------|----------------|---|----------------|---------|
| PROPERTY, PLANT AND EQUIPMENT, NET | 852,813 | - | 852,813 | 789,123 |
|------------------------------------|----------------|---|----------------|---------|

OTHER ASSETS

| | | | | |
|-----------------------|----------------|------------|----------------|--------|
| Deferred Income Taxes | 107,771 | 186 | 107,957 | 95,295 |
|-----------------------|----------------|------------|----------------|--------|

| | | | | |
|--------------|---------------|---|---------------|--------|
| Other Assets | 46,061 | - | 46,061 | 23,031 |
|--------------|---------------|---|---------------|--------|

| | | | | |
|--------------------|----------------|------------|----------------|---------|
| TOTAL OTHER ASSETS | 153,832 | 186 | 154,018 | 118,326 |
|--------------------|----------------|------------|----------------|---------|

| | | | | | |
|--------------|----|------------------|----------------|------------------|-----------|
| TOTAL ASSETS | \$ | 1,436,351 | 186 | 1,436,537 | 1,255,733 |
|--------------|----|------------------|----------------|------------------|-----------|

LIABILITIES AND
STOCKHOLDERS' EQUITY

CURRENT LIABILITIES

| | | | | | |
|-----------------------------------|----|---------------|----|---------------|--------|
| Current Portion of Long-Term Debt | \$ | 10,000 | \$ | 10,000 | 10,000 |
|-----------------------------------|----|---------------|----|---------------|--------|

| | | | | |
|--|----------------|--------------|----------------|---------|
| Accounts Payable and Accrued Liabilities | 174,205 | 1,899 | 176,104 | 141,866 |
|--|----------------|--------------|----------------|---------|

| | | | | |
|---------------------------|----------------|--------------|----------------|---------|
| TOTAL CURRENT LIABILITIES | 184,205 | 1,899 | 186,104 | 151,866 |
|---------------------------|----------------|--------------|----------------|---------|

| | | | | |
|----------------|----------------|---|----------------|---------|
| LONG-TERM DEBT | 589,229 | - | 589,229 | 469,205 |
|----------------|----------------|---|----------------|---------|

| | | | | |
|----------------------------------|---------------|---|---------------|--------|
| LONG-TERM DEFERRED TAX LIABILITY | 31,306 | - | 31,306 | 20,847 |
|----------------------------------|---------------|---|---------------|--------|

| | | | | |
|-----------------------------|---------------|---|---------------|--------|
| OTHER LONG-TERM LIABILITIES | 22,661 | - | 22,661 | 23,182 |
|-----------------------------|---------------|---|---------------|--------|

| | | | | |
|--|----------------|----------------|----------------|---------|
| TOTAL CONTROLLING INTEREST IN STOCKHOLDERS' EQUITY | 606,940 | (1,713) | 605,227 | 591,404 |
|--|----------------|----------------|----------------|---------|

| | | | | |
|-------------------------|--------------|---|--------------|-------|
| Noncontrolling interest | 2,010 | - | 2,010 | (771) |
|-------------------------|--------------|---|--------------|-------|

| | | | | |
|--------------|----------------|----------------|----------------|---------|
| TOTAL EQUITY | 608,950 | (1,713) | 607,237 | 590,633 |
|--------------|----------------|----------------|----------------|---------|

| | | | | | |
|--|----|------------------|----------------|------------------|-----------|
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$ | 1,436,351 | 186 | 1,436,537 | 1,255,733 |
|--|----|------------------|----------------|------------------|-----------|

| | | | |
|---|-------------|----------------|------|
| Current Ratio | 2.33 | 2.31 | 2.29 |
| Total Debt as a Percent of Capitalization | 50% | 50% | 45% |
| Book Value Per Common Share \$ | 5.06 | \$ 5.04 | 4.97 |

PARKER DRILLING COMPANY

Consolidated Statement Of Operations

(Dollars in Thousands, Except Per Share Data)

(Unaudited)

| | Three Months Ended June 30, | | | Three Months Ended March 31, | |
|--------------------|-----------------------------|-------------|--------------|------------------------------|------------|
| | 2013 | 2013 | 2013 | 2012 | 2013 |
| | As Previously Announced | Adjustments | As Corrected | | |
| REVENUES: | \$ 226,001 | \$ - | \$ 226,001 | 178,925 | \$ 167,151 |
| EXPENSES: | | | | | |
| Operating Expenses | 143,549 | - | 143,549 | 104,526 | 117,046 |

| | | | | | |
|------------------------------------|-----------------|----------------|-----------------|---------|----------|
| Depreciation and Amortization | 32,280 | - | 32,280 | 27,959 | 29,512 |
| | | | - | | |
| TOTAL OPERATING GROSS MARGIN | 50,172 | - | 50,172 | 46,440 | 20,597 |
| General and Administrative Expense | (19,853) | (2,525) | (22,378) | (7,420) | (12,883) |
| Gain on Disposition of Assets, Net | 517 | - | 517 | 1,368 | 1,148 |
| | | | - | | |
| TOTAL OPERATING INCOME | 30,836 | (2,525) | 28,311 | 40,388 | 8,862 |
| | | | - | | |
| OTHER INCOME AND (EXPENSE): | | | | | |
| Interest Expense | (10,741) | - | (10,741) | (8,925) | (10,006) |
| Interest Income | 2,203 | - | 2,203 | 53 | 59 |

| | | | | | |
|---|---------|---------|---------|----------|---------|
| Loss on extinguishment of debt | - | - | - | (1,649) | - |
| Change in fair value of derivative positions | 17 | - | 17 | 38 | 37 |
| Other | (183) | - | (183) | 20 | 116 |
| TOTAL OTHER EXPENSE | (8,704) | - | (8,704) | (10,463) | (9,794) |
| | | | - | | |
| INCOME (LOSS) BEFORE INCOME TAXES | 22,132 | (2,525) | 19,607 | 29,925 | (932) |
| | | | - | | |
| INCOME TAX EXPENSE (BENEFIT) | 12,045 | (812) | 11,233 | 9,817 | (1,504) |
| | | | - | | |
| NET INCOME (LOSS) | 10,087 | (1,713) | 8,374 | 20,108 | 572 |
| Less: net income (loss) attributable to noncontrolling interest | 93 | - | 93 | 25 | (20) |

| | | | | | |
|--|----------------|-------------------|----------------|----------|-----|
| NET INCOME ATTRIBUTABLE TO CONTROLLING \$ INTEREST | 9,994\$ | (1,713) \$ | 8,281\$ | 20,083\$ | 59% |
|--|----------------|-------------------|----------------|----------|-----|

EARNINGS
PER SHARE -
BASIC

| | | | | | | |
|----------------------|----|-------------|----|---------------|--------|------|
| Net Income (loss) | \$ | 0.08 | \$ | 0.07\$ | 0.17\$ | 0.00 |
|----------------------|----|-------------|----|---------------|--------|------|

EARNINGS
PER SHARE -
DILUTED

| | | | | | | |
|----------------------|----|-------------|----|---------------|--------|------|
| Net Income (loss) | \$ | 0.08 | \$ | 0.07\$ | 0.17\$ | 0.00 |
|----------------------|----|-------------|----|---------------|--------|------|

NUMBER OF
COMMON
SHARES USED
IN COMPUTING
EARNINGS
PER SHARE

| | | | | |
|-------|--------------------|--------------------|-------------|-------------|
| Basic | 119,483,780 | 119,483,780 | 117,410,212 | 118,867,678 |
|-------|--------------------|--------------------|-------------|-------------|

| | | | | |
|---------|--------------------|--------------------|-------------|-------------|
| Diluted | 121,860,011 | 121,860,011 | 118,526,879 | 120,072,574 |
|---------|--------------------|--------------------|-------------|-------------|

PARKER DRILLING COMPANY

Consolidated Statement Of Operations

(Dollars in Thousands, Except Per Share Data)

(Unaudited)

| | Six Months Ended June 30, | | | |
|------------------------------------|--|--------------------|-------------------------|-------------|
| | 2013 | 2013 | 2013 | |
| | As Previously Announced | Adjustments | As Corrected | 2012 |
| REVENUES: | \$ 393,156 | \$ - | \$ 393,156 | 355,494 |
| EXPENSES: | | | | |
| Operating Expenses | 260,595 | - | 260,595 | 199,458 |
| Depreciation and Amortization | 61,792 | - | 61,792 | 55,578 |
| | 322,387 | - | 322,387 | 255,036 |
| TOTAL OPERATING GROSS MARGIN | 70,769 | - | 70,769 | 100,458 |
| General and Administrative Expense | (32,736) | (2,525) | (35,261) | (12,917) |
| Gain on Disposition of Assets, Net | 1,665 | - | 1,665 | 1,860 |
| TOTAL OPERATING INCOME | 39,698 | (2,525) | 37,173 | 89,401 |
| OTHER INCOME AND (EXPENSE): | | | | |

| | | | | |
|---|------------------|-------------------|-----------------|----------|
| Interest Expense | (20,747) | - | (20,747) | (16,962) |
| Interest Income | 2,251 | - | 2,251 | 79 |
| Loss on extinguishment of debt | - | - | - | (1,649) |
| Change in fair value of derivative positions | 54 | - | 54 | (11) |
| Other | (56) | - | (56) | 36 |
| TOTAL OTHER EXPENSE | (18,498) | - | (18,498) | (18,507) |
| INCOME (LOSS) BEFORE INCOME TAXES | 21,200 | (2,525) | 18,675 | 70,894 |
| INCOME TAX EXPENSE (BENEFIT) | 10,541 | (812) | 9,729 | 24,460 |
| NET INCOME (LOSS) | 10,659 | (1,713) | 8,946 | 46,434 |
| Less: net income (loss) attributable to noncontrolling interest | 73 | - | 73 | (41) |
| NET INCOME ATTRIBUTABLE TO CONTROLLING INTEREST | \$ 10,586 | \$ (1,713) | \$ 8,873 | 46,475 |
| EARNINGS PER SHARE - BASIC | \$ 0.09 | | \$ 0.07 | 0.40 |
| EARNINGS PER SHARE - DILUTED | \$ 0.09 | | \$ 0.07 | 0.39 |

NUMBER OF COMMON SHARES
USED IN COMPUTING
EARNINGS PER SHARE

| | | | |
|---------|--------------------|--------------------|-------------|
| Basic | 119,177,431 | 119,177,431 | 117,129,364 |
| Diluted | 121,498,223 | 121,498,223 | 118,623,037 |

PARKER DRILLING COMPANY

Selected Financial Data

(Dollars in Thousands)

(Unaudited)

| | Three Months Ended | | Six Months Ended June 30, | |
|--|---------------------------|-------------|----------------------------------|-------------|
| | June 30, | | March 31, | |
| | 2013 | 2012 | 2013 | 2013 |
| | | 2012 | 2013 | 2012 |

REVENUES:

| | | | | | |
|------------------------|-----------|-----------|-----------|------------|------------|
| Rental Tools | \$ 82,022 | \$ 65,002 | \$ 57,082 | \$ 139,105 | \$ 131,286 |
| U.S. Barge Drilling | 38,301 | 33,292 | 29,865 | 68,165 | 61,127 |
| U.S. Drilling | 17,910 | - | 11,635 | 29,545 | - |
| International Drilling | 83,182 | 76,923 | 64,650 | 147,832 | 155,673 |

| | | | | | |
|-----------------------|----------------|----------------|----------------|----------------|----------------|
| Technical Services | 4,586 | 3,708 | 3,923 | 8,509 | 7,408 |
| Total Revenues | 226,001 | 178,925 | 167,155 | 393,156 | 355,494 |

OPERATING EXPENSES:

| | | | | | |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|
| Rental Tools | 43,675 | 22,552 | 24,875 | 68,550 | 44,182 |
| U.S. Barge Drilling | 18,290 | 18,792 | 17,441 | 35,732 | 35,932 |
| U.S. Drilling | 14,270 | 533 | 11,309 | 25,578 | 999 |
| International Drilling | 62,855 | 58,683 | 59,854 | 122,709 | 110,926 |
| Technical Services | 4,459 | 3,966 | 3,567 | 8,026 | 7,419 |
| Total Operating Expenses | 143,549 | 104,526 | 117,046 | 260,595 | 199,458 |

OPERATING GROSS MARGIN:

| | | | | | |
|-------------------------------------|---------------|---------------|---------------|---------------|----------------|
| Rental Tools | 38,347 | 42,450 | 32,207 | 70,555 | 87,104 |
| U.S. Barge Drilling | 20,011 | 14,500 | 12,424 | 32,433 | 25,195 |
| U.S. Drilling | 3,640 | (533) | 326 | 3,967 | (999) |
| International Drilling | 20,327 | 18,240 | 4,796 | 25,123 | 44,747 |
| Technical Services | 127 | (258) | 356 | 483 | (11) |
| Depreciation and Amortization | (32,280) | (27,959) | (29,512) | (61,792) | (55,578) |
| Total Operating Gross Margin | 50,172 | 46,440 | 20,597 | 70,769 | 100,458 |

PARKER DRILLING COMPANY

Adjusted EBITDA

(Dollars in Thousands)

Three Months Ended

June 30, June 30, June 30,
2013 2013 2013

As Previously Announced Adjustments As Corrected March 31, 2013 December 31, 2012 September 2012

Net Income
(Loss)

| | | | | | | |
|--------------------------------------|----------|------------|----------|--------|-------------|--|
| Attributable to Controlling Interest | \$ 9,994 | \$ (1,713) | \$ 8,281 | \$ 592 | \$ (20,098) | |
|--------------------------------------|----------|------------|----------|--------|-------------|--|

Adjustments:

| | | | | | | |
|------------------------------|--------|-------|--------|---------|-------|-------|
| Income Tax (Benefit) Expense | 12,045 | (812) | 11,233 | (1,504) | 2,724 | 6,695 |
|------------------------------|--------|-------|--------|---------|-------|-------|

| | | | | | | |
|------------------|--------|---|--------|--------|-------|-------|
| Interest Expense | 10,741 | - | 10,741 | 10,006 | 8,409 | 8,171 |
|------------------|--------|---|--------|--------|-------|-------|

| | | | | | | |
|--------------------------|---------|---|---------|-------|-----|----|
| Other Income and Expense | (2,037) | - | (2,037) | (212) | 717 | 42 |
|--------------------------|---------|---|---------|-------|-----|----|

| | | | | | | |
|--|------------------|----------------|------------------|---------|-----------|--------|
| Gain on Disposition of Assets, Net | (517) | - | (517) | (1,148) | 492 | (606) |
| Depreciation and Amortization | 32,280 | - | 32,280 | 29,512 | 27,660 | 29,779 |
| Adjusted EBITDA | 62,506 | (2,525) | 59,981 | 37,246 | 19,904 | 55,017 |
| Adjustments: | | | | | | |
| Non- routine Items | 8,865 | 2,525 | 11,390 | 3,463 | 15,921 | 564 |
| Adjusted EBITDA after Non-routine Items | \$ 71,371 | \$ - | \$ 71,371 | 40,709 | \$ 35,825 | |

SOURCE Parker Drilling Company