# Financial Highlights

{Nabors Industries Ltd. and Subsidiaries}

| Operating Data | Year Ended December 31, | | | | | Twelve Months Ended December 31, (Unaudited) | Year Ended September 30, | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| (In thousands, except per share amounts and ratio data) | 2002 | 2001 | 2000 | 1999 | 1998 | 1997 | 1997 | 1996 | 1995 | 1994 |
| Operating revenues and Earnings from unconsolidated affiliates | $ 1,481,218 | $ 2,228,070 | $ 1,414,943 | $ 670,186 | $ 1,007,864 | $ 1,115,032 | $ 1,029,303 | $ 719,743 | $ 572,788 | $ 484,268 |
| Depreciation and amortization | 195,365 | 189,896 | 152,413 | 99,893 | 84,949 | 72,350 | 66,391 | 46,117 | 31,042 | 26,241 |
| Net income | 121,489 | 357,450 | 137,356 | 27,704 | 124,988 | 136,020 | 114,808 | 70,500 | 51,104 | 1,350 |
| Earnings per diluted share | $ .81 | $ 2.24 | $ .90 | $ .23 | $ 1.16 | $ 1.24 | $ 1.08 | $ .75 | $ .57 | $ .02 |
| Weighted average number of diluted shares outstanding | 149,997 | 168,790 | 152,417 | 120,449 | 112,555 | 113,793 | 111,975 | 93,752 | 89,655 | 85,620 |
| Capital expenditures and acquisitions of businesses | $ 582,559 | $ 784,925 | $ 300,637 | $ 667,517 | $ 313,464 | $ 381,009 | $ 396,668 | $ 174,483 | $ 144,560 | $ 62,907 |
| Interest coverage ratio | 6.0 : 1 | 13.3 : 1 | 11.8 : 1 | 5.8 : 1 | 19.4 : 1 | 18.3 : 1 | 16.1 : 1 | 11.7 : 1 | 12.8 : 1 | 4.9 : 1 |

## Balance Sheet Data

| (In thousands, except ratio data) | As of December 31, 2002 | 2001 | 2000 | 1999 | 1998 | As of December 31, (Unaudited) 1997 | As of September 30, 1997 | 1996 | 1995 | 1994 |
|---|---|---|---|---|---|---|---|---|---|---|
| Cash and cash equivalents and marketable securities | $ 1,330,799 | $ 918,637 | $ 550,953 | $ 111,666 | $ 47,340 | $ 42,135 | $ 53,323 | $ 115,866 | $ 24,979 | $ 65,498 |
| Working capital | 618,454 | 700,816 | 524,437 | 195,817 | 36,822 | 62,571 | 70,872 | 172,091 | 33,892 | 77,248 |
| Property, plant and equipment, net | 2,781,050 | 2,433,247 | 1,821,392 | 1,669,466 | 1,127,154 | 923,402 | 861,393 | 511,203 | 393,464 | 283,141 |
| Total assets | 5,063,872 | 4,151,915 | 3,136,868 | 2,398,003 | 1,465,907 | 1,281,306 | 1,234,232 | 871,274 | 593,272 | 490,273 |
| Long-term debt | 1,614,656 | 1,567,616 | 854,777 | 482,600 | 217,034 | 226,299 | 229,507 | 229,504 | 51,478 | 61,879 |
| Stockholders' equity | $ 2,158,455 | $ 1,857,866 | $ 1,806,468 | $ 1,470,074 | $ 867,469 | $ 767,340 | $ 727,843 | $ 457,822 | $ 368,750 | $ 317,424 |
| Funded debt to capital ratio: | | | | | | | | | | |
| Gross | 0.49 : 1 | 0.46 : 1 | 0.32 : 1 | 0.25 : 1 | 0.26 : 1 | 0.27 : 1 | 0.27 : 1 | 0.35 : 1 | 0.20 : 1 | 0.21 : 1 |
| Net | 0.26 : 1 | 0.26 : 1 | 0.15 : 1 | 0.20 : 1 | 0.17 : 1 | 0.20 : 1 | 0.20 : 1 | 0.21 : 1 | 0.09 : 1 | 0.02 : 1 |

## Geographic Distribution of Revenues and Assets

| (In thousands) | Year Ended December 31, 2002 | 2001 | 2000 | 1999 | 1998 | Twelve Months Ended December 31, (Unaudited) 1997 | Year Ended September 30, 1997 | 1996 | 1995 | 1994 |
|---|---|---|---|---|---|---|---|---|---|---|
| Operating revenues and Earnings from unconsolidated affiliates: | | | | | | | | | | |
| United States | $ 1,012,503 | $ 1,859,356 | $ 1,115,899 | $ 448,478 | $ 706,046 | $ 867,999 | $ 797,319 | $ 503,622 | $ 383,376 | $ 299,278 |
| Foreign | 468,715 | 368,714 | 299,044 | 221,708 | 301,818 | 247,033 | 231,984 | 216,121 | 189,412 | 184,990 |
| | $ 1,481,218 | $ 2,228,070 | $ 1,414,943 | $ 670,186 | $1,007,864 | $ 1,115,032 | $ 1,029,303 | $ 719,743 | $ 572,788 | $ 484,268 |

| (In thousands) | As of December 31, 2002 | 2001 | 2000 | 1999 | 1998 | As of December 31, (Unaudited) 1997 | As of September 30, 1997 | 1996 | 1995 | 1994 |
|---|---|---|---|---|---|---|---|---|---|---|
| Total assets: | | | | | | | | | | |
| United States | $ 3,569,657 | $ 3,282,429 | $ 2,649,923 | $ 1,917,751 | $1,068,193 | $ 958,026 | $ 897,453 | $ 593,014 | $ 348,248 | $ 287,390 |
| Foreign | 1,494,215 | 869,486 | 486,945 | 480,252 | 397,714 | 323,280 | 336,779 | 278,260 | 245,024 | 202,883 |
| | $ 5,063,872 | $ 4,151,915 | $ 3,136,868 | $ 2,398,003 | $1,465,907 | $ 1,281,306 | $ 1,234,232 | $ 871,274 | $ 593,272 | $ 490,273 |