

HELMERICH & PAYNE, INC.
RESULTS OF OPERATIONS BY SEGMENT FY 2007

Unaudited

	Three Months Ended				Fiscal Year Ended
	December 31, 2006	March 31, 2007	June 30, 2007	September 30, 2007	September 30, 2007
<u>U.S. LAND OPERATIONS</u>					
Revenues	\$ 269,900	\$ 269,145	\$ 303,514	\$ 332,397	\$ 1,174,956
Direct operating expenses	127,357	132,399	157,758	170,311	587,825
General and administrative expense	3,452	3,151	3,625	3,796	14,024
Depreciation	20,683	23,813	27,512	34,099	106,107
Segment operating income	<u>\$ 118,408</u>	<u>\$ 109,782</u>	<u>\$ 114,619</u>	<u>\$ 124,191</u>	<u>\$ 467,000</u>
Revenue days	10,548	11,156	12,371	13,263	47,338
Average rig revenue per day	\$ 24,231	\$ 23,032	\$ 23,401	\$ 23,666	\$ 23,573
Average rig expense per day	\$ 10,717	\$ 10,774	\$ 11,619	\$ 11,445	\$ 11,170
Average rig margin per day	\$ 13,514	\$ 12,258	\$ 11,782	\$ 12,221	\$ 12,403
Rig utilization	98%	97%	96%	95%	97%
<u>OFFSHORE OPERATIONS</u>					
Revenues	\$ 35,754	\$ 28,703	\$ 29,626	\$ 29,065	\$ 123,148
Direct operating expenses	24,138	20,709	21,748	18,961	85,556
General and administrative expense	1,458	1,500	907	959	4,824
Depreciation	2,778	2,689	2,418	2,802	10,687
Segment operating income	<u>\$ 7,380</u>	<u>\$ 3,805</u>	<u>\$ 4,553</u>	<u>\$ 6,343</u>	<u>\$ 22,081</u>
Revenue days	588	522	546	485	2,141
Average rig revenue per day	\$ 38,824	\$ 29,603	\$ 30,263	\$ 39,160	\$ 34,469
Average rig expense per day	\$ 23,901	\$ 19,885	\$ 21,734	\$ 20,347	\$ 21,564
Average rig margin per day	\$ 14,923	\$ 9,718	\$ 8,529	\$ 18,813	\$ 12,905
Rig utilization	71%	64%	67%	59%	65%

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	December 31,	March 31,	June 30,	September 30,	September 30,
	2006	2007	2007	2007	2007
<u>INTERNATIONAL LAND OPERATIONS</u>					
Revenues	\$ 77,846	\$ 71,950	\$ 85,357	\$ 85,130	\$ 320,283
Direct operating expenses	47,660	45,704	49,166	45,556	188,086
General and administrative expense	563	1,031	670	972	3,236
Depreciation	5,549	5,341	6,648	6,244	23,782
Segment operating income	\$ 24,074	\$ 19,874	\$ 28,873	\$ 32,358	\$ 105,179
Revenue days	2,366	2,262	2,235	2,023	8,886
Average rig revenue per day	\$ 27,690	\$ 27,001	\$ 34,200	\$ 37,847	\$ 31,465
Average rig expense per day	\$ 14,878	\$ 15,722	\$ 18,246	\$ 18,250	\$ 16,708
Average rig margin per day	\$ 12,812	\$ 11,279	\$ 15,954	\$ 19,597	\$ 14,757
Rig utilization	96%	93%	90%	81%	90%

Operating statistics exclude the effects of offshore platform management contracts, gains, and losses from translation of foreign currency transactions, and do not include reimbursements of "out-of-pocket" expenses in revenue per day, expense per day and margin calculations.

A management contract for a customer-owned platform rig working in an international location has been moved from the International segment to the Offshore segment. The amounts for the first three quarters fiscal 2007 have been restated to reflect this change. In conjunction with this, the International segment has been renamed to International Land.

Reimbursed amounts were as follows:

U.S. Land Operations	\$ 14,309	\$ 12,196	\$ 14,016	\$ 18,514	\$ 59,035
Offshore Operations	\$ 3,704	\$ 3,840	\$ 3,639	\$ 3,145	\$ 14,328
International Land Operations	\$ 12,156	\$ 10,824	\$ 8,570	\$ 8,563	\$ 40,113

REAL ESTATE

Revenues	\$ 2,899	\$ 2,738	\$ 2,777	\$ 2,857	\$ 11,271
Direct operating expenses	843	1,165	890	910	3,808
Depreciation	589	612	602	653	2,456
Segment operating income	\$ 1,467	\$ 961	\$ 1,285	\$ 1,294	\$ 5,007

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The following table reconciles operating income per the information above to income before income taxes and equity in income of affiliates as reported on the Consolidated Statements of Income (in thousands).

	Three Months Ended				Fiscal Year Ended
	December 31,	March 31,	June 30,	September 30,	September 30,
	2006	2007	2007	2007	2007
<u>Segment operating income</u>					
U.S. Land	\$ 118,408	\$ 109,782	\$ 114,619	\$ 124,191	\$ 467,000
Offshore	7,380	3,805	4,553	6,343	22,081
International Land	24,074	19,874	28,873	32,358	105,179
Real Estate	1,467	961	1,285	1,294	5,007
Segment operating income	\$ 151,329	\$ 134,422	\$ 149,330	\$ 164,186	\$ 599,267
Corporate general & administrative	(5,140)	(7,668)	(6,336)	(6,173)	(25,317)
Other depreciation	(552)	(497)	(945)	(1,016)	(3,010)
Intersegment elimination	531	521	537	1,432	3,021
Gain from involuntary conversion of long-lived assets	-	5,170	5,900	5,591	16,661
Income from asset sales	486	32,336	6,186	2,689	41,697
Operating income	\$ 146,654	\$ 164,284	\$ 154,672	\$ 166,709	\$ 632,319
Other income (expense):					
Interest and dividend income	1,244	1,034	962	994	4,234
Interest expense	(919)	(1,913)	(3,260)	(4,034)	(10,126)
Gain on sale of investment securities	26,337	177	25,298	13,646	65,458
Other	64	66	120	(1,782)	(1,532)
Total other income (expense)	26,726	(636)	23,120	8,824	58,034
Income before income taxes and equity in income of affiliate	\$ 173,380	\$ 163,648	\$ 177,792	\$ 175,533	\$ 690,353