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## Pride International Inc. Q3 2008 Earnings Conference Call Transcript

### Question-and-Answer Session

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[Operator Instructions]. We will go to Arun Jayaram, Credit Suisse.

**Arun Jayaram - Credit Suisse**

Hey guys.

**Jeffrey L. Chastain - Vice President, Investor Relations and Communications**

Good morning.

**Arun Jayaram - Credit Suisse**

Hey, Kevin you obviously have extensive experience and knowledge of what's going on in Asia in terms of the shipyards etcetera. I was trying to get some color from you on what you are seeing in terms of the impact from the credit issues on some of the speculators and in your opinion how many of these rigs particularly on the floater side could be at risk if not getting completed because of these credit concern?

**Kevin C. Robert - Senior Vice President, Marketing and Business Development**

Well, I can tell you what I have read more so than anything, but of course the credit crunch doesn't impact only drillers, it also impacts shipbuilders and ship owners. So, you would tend to believe that if it continued there might be some not only projects that are not firm that's what I'm talking about projects that are firm, I think it will go on. The ones that were subject to an option or subject financing or maybe a lot of the ship building slots are held by options, those things could disappear I guess, if funds are not available.

In terms of rigs that are at risk it's a little harder to judge because remember you have got two contracts in place for a lot of these rigs. The ones that have a contract with an operator, there is a contract for providing drilling services and then there is a contract hopefully in place at the shipyard for a rig behind that drilling contract. For the contractors that have not yet secured a slot, I think it's a challenge, especially if they are subject financing.

For the ones that have already secured a slot, but were counting on financing the second half of the down payments or progress payments I think that's also a challenge. No one really knows the fallout yet, but certainly those are a lot of the opportunities that are out there to potentially look at. But until you actually see someone formally cancel, I don't know that it's anything more than just speculation. And to my knowledge nobody holding a contract with an operator has formally can't gone to the operator and asked or told the operator they can't deliver the rig. Not yet.

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