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News Release

Notice of Third Quarter 2011 Results Update

MOSCOW, October 27, 2011 –Eurasia Drilling Company Limited ("EDC" or the "Company" - LSE: EDCL), the leading onshore and offshore drilling service provider in the CIS, today released its third quarter 2011 and nine months period ended September 30, 2011 financial and operational update.

THIRD QUARTER AND NINE MONTHS 2011 FINANCIAL HIGHLIGHTS:

- **Top line revenue was US\$ 776 million for the third quarter 2011 and US\$ 2,042 million for the first nine months of 2011, compared to US\$ 491 million for the third quarter 2010 and US\$ 1,353 million during the first nine months of 2010;**
- **EBITDA margin was approximately 21.9% for the nine month period ended September 30, 2011, compared to 24.5% in the corresponding period of 2010;**
- **Capital expenditures for property, plant and equipment for the nine months ended September 30, 2011 were approximately US\$ 262 million compared to US\$ 170 million for same period in 2010;**
- **The average exchange rate for the first nine months of 2011 was 28.8 Rubles per US Dollar compared to 30.3 Rubles per US Dollar during the 2010 nine month period.**

Mr. W. Richard Anderson, EDC's Chief Financial Officer, commented,

"We are very pleased to have delivered another set of strong results which have seen us significantly increase revenue by 51% year-to-date. Doubling the amount of horizontal drilling in the period has, as expected, affected EBITDA margins but demonstrates new drilling patterns in the Russian market, where we have a dominant position. We expect to capitalise on these new trends by providing efficient, high quality services to our customers. Our strong balance sheet and growth across all our operations allows us to be confident of achieving our full year expectations. "

THIRD QUARTER AND NINE MONTHS 2011 OPERATIONAL HIGHLIGHTS:

- **Drilling volume for the first nine months of 2011 was 3.672 million meters, 20% above the output achieved in the same period of 2010 (3.065 million meters);**
- **Drilling assets acquired from Schlumberger contributed 13 percentage points to the growth of our drilling volumes during the 2011 nine month period ;**
- **Horizontal meters drilled during the first nine months of 2011 more than doubled compared to the corresponding period of 2010 and amounted to 644 thousand meters;**
- **Exploration drilling volumes were up 8% during the first nine months of 2011 compared to the same period in 2010;**
- **Sidetracking activity more than quadrupled in the 2011 nine month period to 176 wells, as compared to 33 wells sidetracked over the same period in 2010;**
- **Our largest customer accounted for 54% of our total drilling volumes during the first nine months of 2011, compared to 57% in the corresponding period of 2010;**
- **Offshore both the ASTRA and Trident 20 jack-up rigs were fully utilized in Q3, in Russian and Turkmen waters of the Caspian Sea, respectively;**
- **On the Yu. Korchagin platform a two month break in operations was scheduled during Q-3 while LUKOIL's rig package was upgraded, with drilling operations recommencing mid-September;**



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- **Construction of our 3rd jack-up drilling rig for Caspian Sea operations continues on schedule at the Lamprell shipyard in the UAE.**

Dr. Alexander Djaparidze, EDC's Chief Executive Officer, added,

“During the period, we increased our drilling activity by 20% which reflects further diversification in our customer base and strong oil prices. The two major acquisitions we completed earlier this year have been seamlessly integrated into our existing operations, and are performing at or better than planned. Our Strategic Alliance with Schlumberger provides access to key technologies which enable us to meet the evolving demands of our clients. 2012 is shaping up to be an even better year as we expect growth in every segment of our business.”

Conference Call Details

A conference call for investors and analysts hosted by senior management of the Company, will be held on the same day at 3:00 p.m. BST. Equivalent times for other locations: 4:00 p.m. Central Europe, 6:00 p.m. Moscow, 10:00 a.m. New York.

Participants dial-in details:

International Tel: +44-20-8515-2302

Conference ID: 4481928

Conference title: Eurasia Drilling Company 3Q 2011 Results Call

Toll free numbers are also available:

UK: +44 800-358-5271

US: 1-877-941-1466

Russia: 810-8002-1984011

A replay of the conference call will be available until midnight (GMT) November 11, 2011 on:

International Tel: +44 207 154 2833

Toll free numbers:

UK: +44 800 358 3474

US: 1-800-406-7325

Access code to all the replay numbers: 4481928#

EDC is the largest provider of onshore drilling services in Russia, as measured by the number of meters drilled, providing onshore integrated well construction services and workover services. In addition, the Company provides offshore drilling services in the Caspian Sea. The Company offers its onshore integrated well construction services and workover services to local and international oil and gas companies primarily in Russia and its offshore drilling services to Russian and international oil and gas companies in the Russian, Kazakh and Turkmen sectors of the Caspian Sea. The Company is traded on the London Stock Exchange under the symbol “EDCL”.

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