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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number 1-4221



HELMERICH & PAYNE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**73-0679879**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

222 North Detroit Avenue, Tulsa, Oklahoma 74120
(Address of principal executive offices) (Zip Code)
(918) 742-5531
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading symbol(s)**	**Name of each exchange on which registered**
Common Stock ($0.10 par value)	HP	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the Registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging Growth Company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At March 31, 2026, the last business day of the Registrant's most recently completed second fiscal quarter, the aggregate market value of the Registrant's common stock held by non-affiliates was approximately $3.6 billion based on the closing price of such stock on the New York Stock Exchange on such date of $36.03.

Number of shares of common stock outstanding at November 12, 2026: 99,967,282

Portions of the Registrant's 2027 Proxy Statement for the Annual Meeting of Stockholders to be held in calendar year 2027 are incorporated by reference into Part III of this Form 10-K. The 2027 Proxy Statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this Form 10-K relates.

HELMERICH & PAYNE, INC.
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Cautionary Note Regarding Forward-Looking Statements

This Annual Report on Form 10-K ("Form 10-K") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements other than statements of historical facts included in this Form 10-K are forward-looking statements. Forward-looking statements may be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "believe," "predict," "project," "target," "continue," or the negative thereof or similar terminology, and such statements include, but are not limited to, statements regarding the Acquisition (as defined herein) and the anticipated benefits; impact and timing of such transaction, the timing and terms of recommencement of suspended rigs related to the Acquisition, our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management. Forward-looking statements are based upon current plans, estimates, and expectations that are subject to risks, uncertainties, and assumptions, many of which are beyond our control and any of which could cause actual results to differ materially from those expressed in or implied by the forward-looking statements. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. The inclusion of such statements should not be regarded as a representation that such plans, estimates, or expectations will be achieved.

Factors that could cause actual results to differ materially from those expressed in or implied by such forward-looking statements include, but are not limited to:

- the volatility of future oil and natural gas prices;
- contracting of our rigs and actions by current or potential customers;
- the effects of actions by, or disputes among or between, members of the Organization of Petroleum Exporting Countries ("OPEC") and other oil producing nations (together, "OPEC+") with respect to production levels or other matters related to the prices of oil and natural gas;
- changes in future levels of drilling activity and capital expenditures by our customers, whether as a result of global capital markets and liquidity, changes in prices of oil and natural gas or otherwise, which may cause us to idle or stack additional rigs, or increase our capital expenditures and the construction, upgrade or acquisition of rigs;
- changes in worldwide rig supply and demand, competition, or technology;
- possible cancellation, suspension, renegotiation or termination (with or without cause) of our contracts as a result of general or industry-specific economic conditions, mechanical difficulties, performance or other reasons;
- expansion and growth of our business and operations;
- our belief that the final outcome of our legal proceedings will not materially affect our financial results;
- the impact of federal, state and foreign legislative and regulatory actions and policies, affecting our costs and increasing operating restrictions or delay and other adverse impacts on our business;
- environmental or other liabilities, risks, damages or losses, whether related to storms or hurricanes (including wreckage or debris removal), collisions, grounding, blowouts, fires, explosions, other accidents, terrorism or otherwise, for which insurance coverage and contractual indemnities may be insufficient, unenforceable or otherwise unavailable;
- the impact of geopolitical developments and tensions, war and uncertainty involving or in the geographic region of oil-producing countries (including the ongoing armed conflicts between Russia and Ukraine and conflicts in the Middle East, and any related political or economic responses and counter-responses or otherwise by various global actors or the general effect on the global economy);
- global economic conditions, such as a general slowdown in the global economy, supply chain disruptions, inflationary pressures, the impact of new or additional tariffs, currency fluctuations, and instability of financial institutions, and their impact on the Company;
- our financial condition and liquidity;
- tax matters, including our effective tax rates, tax positions, results of audits, changes in tax laws, treaties and regulations, tax assessments and liabilities for taxes;

- the occurrence of security incidents, including breaches of security, or other attack, destruction, alteration, corruption, or unauthorized access to our information technology systems or destruction, loss, alteration, corruption or misuse or unauthorized disclosure of or access to data;
- potential impacts on our business resulting from climate change, greenhouse gas regulations, and the impact of climate change related changes in the frequency and severity of weather patterns;
- potential long-lived asset impairments; and
- our sustainability strategy, including expectations, plans, or goals related to corporate responsibility, sustainability and environmental matters, and any related reputational risks as a result of execution of this strategy.

Additional factors that could cause actual results to differ materially from our expectations or results discussed in the forward-looking statements are disclosed in this Form 10-K under Item 1A— “Risk Factors” and Item 7— “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” All subsequent written and oral forward-looking statements, express or implied, are expressly qualified in their entirety by these cautionary statements.

All forward-looking statements speak only as of the date they are made and are based on information available at that time. Because of the underlying risks and uncertainties, we caution you against placing undue reliance on these forward-looking statements. We assume no duty to update or revise these forward-looking statements based on changes in internal estimates, expectations or otherwise, except as required by law.

Risk Factors Summary

This summary briefly lists the principal risks and uncertainties facing our business, which are only a select portion of those risks. A more complete discussion of those risks and uncertainties is set forth in this Form 10-K under Item 1A— “Risk Factors.” Additional risks not presently known to us or that we currently deem immaterial may also affect us. If any of these risks occur, our business, financial condition or results of operations could be materially and adversely affected. Our business is subject to the following principal risks and uncertainties:

Business and Operating Risks

- the level of activity in the oil and natural gas industry;
- global economic conditions and volatility in oil and gas prices;
- the drilling services and solutions business is highly competitive;
- consolidation in our industry may impact our results of operations;
- new technologies may cause our drilling methods and equipment to become less competitive;
- our drilling and technology related operations are subject to a number of operational risks, and we are not fully insured against all of these risks;
- cybersecurity and information technology system disruption risks;
- risks associated with our acquisitions, dispositions, investments and other strategic initiatives;
- the impact of technology disputes and limitations on our ability to protect or enforce our intellectual property rights;
- our reliance on management and competition for experienced personnel;
- the effect of the loss of one or a number of our large customers;
- our current backlog of drilling services and solutions revenue may not be fully realized;
- risks associated with our contracts with national oil companies ("NOCs");
- fixed costs may not decline in proportion to decreases in rig utilization and dayrates;
- shortages of drilling equipment, supplies or other key materials;
- inflation and cost increases may impact our sales margins and profitability;

- unionization efforts and labor regulations in certain countries in which we operate;
- risks associated with doing business in certain foreign countries;

Financial Risks

- covenants in our debt agreements restrict our ability to engage in certain activities;
- we may be required to record impairment charges with respect to our drilling rigs and other assets;
- the impact of a downgrade in our credit ratings;
- our ability to access capital markets could be limited;
- credit, market and interest rate risks may negatively impact the value of our marketable securities;
- our inability to generate cash to service all of our indebtedness;

Legal and Regulatory Risks

- the physical effects of climate change and a transition to a lower-carbon economy;
- the impact of new legislation and regulatory initiatives related to hydraulic fracturing or other aspects of the oil and gas industry;
- risks related to our statements and disclosures regarding our sustainability goals and initiatives;
- failure to comply with the U.S. Foreign Corrupt Practices Act or foreign anti-bribery legislation;
- complex and evolving laws and regulations regarding data privacy, data security and consumer protection;
- government policies, mandates and regulations specifically affecting the energy sector and related industries;
- the impact of legal claims and litigation;
- the effect of additional tax liabilities, limitations on our use of net operating losses and tax credits and/or our significant net deferred tax liability;
- failure to comply with or changes to governmental and environmental laws;

Risks Related to Our Common Stock and Corporate Structure

- the choice of forum provision in our bylaws could limit our stockholders' ability to obtain what such stockholders' believe to be a favorable judicial forum for disputes with us or our directors, officers, or employees;
- the effect of public and investor sentiment towards climate change, fossil fuels and other sustainability matters on our cost of capital and the price of our common stock;

PART I

ITEM 1. BUSINESS

Overview

Helmerich & Payne, Inc. ("H&P," which, together with its subsidiaries, is identified as the "Company," "we," "us" or "our," except where stated or the context requires otherwise) was incorporated under the laws of the State of Delaware on February 3, 1940 and is successor to a business originally organized in 1920. We provide performance-driven drilling solutions and technologies that are intended to make hydrocarbon recovery safer and more economical for oil and gas exploration and production companies. We are an important partner for a number of oil and gas exploration and production companies, but we focus primarily on the drilling segment of the oil and gas production value chain. Our technology services focus on developing, promoting and commercializing technologies designed to improve the efficiency and accuracy of drilling operations, as well as wellbore quality and placement.

KCA Deutag Acquisition

On January 16, 2025 (the “Closing Date” or "Acquisition Date"), H&P completed its acquisition of the entire issued share capital (the "Acquisition") of KCA Deutag International Limited ("KCA Deutag") pursuant to the Sale and Purchase Agreement (the "Purchase Agreement"). H&P paid aggregate cash consideration of approximately $2.0 billion, which consisted of the share purchase price of $0.9 billion and $1.1 billion which was used to contemporaneously repay or redeem certain of KCA Deutag's existing debt, including, as applicable, the payment of all accrued and unpaid interest, premiums, and fees. The Company's results presented for the fiscal year ended September 30, 2025 reflect a full 365 days of legacy H&P operations and 258 days of KCA Deutag operations, as the Acquisition was completed on January 16, 2025.

The acquisition included a diversified global drilling business with significant land drilling operations in the Middle East and additional operations in South America, Europe, and Northern Africa. The acquired operations historically generated a substantial portion of their revenues and cash flows from land drilling activities. The acquisition also included asset-light offshore management contract operations in the North Sea, Azerbaijan, and Canada, which provide drilling-related services on customer-owned platforms. In addition, the acquisition included the BENTEC™ business unit (formerly Kenera), consisting of manufacturing and engineering operations with four facilities serving the energy industry.

During the first quarter of fiscal year 2026, we announced the rebranding of KCA Deutag’s Kenera business unit to BENTEC™. The BENTEC™ name, already recognized in the market, will now represent all products and services previously associated with Kenera and its sub-brands. Accordingly, throughout this document and in future references, Kenera will be referred to as BENTEC™.

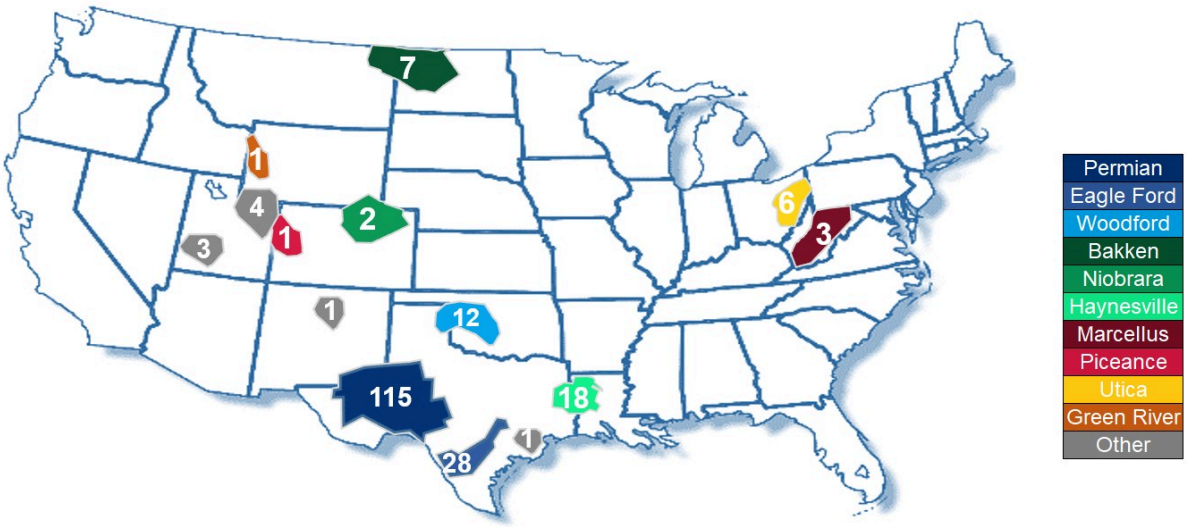
For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination.

Our Segments

Our North America Solutions operations are primarily located in Texas, but also traditionally operate in other states, depending on demand. Our International Solutions operations are conducted in major international oil and gas markets, primarily in the Middle East and Latin America. Our Offshore Solutions operations consist of asset-light offshore management contracts and contracted rig platforms located in U.S. federal waters, the North Sea and Norwegian Sea off the coast of Norway, Caspian Sea and other international waters. Our "Other" operations is comprised of our BENTEC™ manufacturing and engineering activities and our wholly-owned captive insurance companies. Refer to Note 17—Business Segments and Geographic Information for further details on our reportable segments.

Drilling Fleet

The following map shows the number of available rigs by basin in our North America Solutions reportable segment as of September 30, 2026:



The following table sets forth certain information concerning our North America Solutions drilling rigs as of September 30, 2026:

NORTH AMERICA SOLUTIONS FLEET

	Super-Spec FlexRig®[1]	
Location	Total Available	Rigs Contracted
TX	122	86
NM	37	33
OK	12	8
UT	7	5
ND	7	5
OH	6	3
LA	4	4
CO	3	3
WV	3	3
WY	1	1
Totals	**202**	**151**

(1) AC drive, minimum of 1,500 horsepower drawworks, minimum of 750,000 lbs. hookload rating, 7,500 psi mud circulating system, and multiple-well pad capability.

The following table sets forth certain information concerning our International Solutions drilling rigs as of September 30, 2026:

INTERNATIONAL SOLUTIONS FLEET

	AC (FlexRig®3)[1]		AC (FlexRig®4)[2]		AC (FlexRig®3WA)[3]		AC SCR Desert[4]		SCR[5]		Other AC			
Location	Total Available	Rigs Contracted	Total Available	Rigs Contracted	Total Available	Rigs Contracted	Total Available	Rigs Contracted	Total Available	Rigs Contracted	Total Available	Rigs Contracted	Total Available Fleet	Total Rigs Contracted
Saudi Arabia	—	—	—	—	8	8	30	14	—	—	—	—	38	22
Oman	—	—	—	—	—	—	19	15	—	—	—	—	19	15
Argentina	12	11	—	—	—	—	—	—	—	—	—	—	12	11
Rest of World[6]	3	2	3	2	—	—	5	2	9	8	6	5	26	19
Totals	**15**	**13**	**3**	**2**	**8**	**8**	**54**	**31**	**9**	**8**	**6**	**5**	**95**	**67**

(1) The FlexRig® 3 is equipped with an AC drive, 1,500 horsepower drawworks, and a 750,000 lb. hookload rating. It can be equipped with an optional skid or walking system, third mud pump, and 7,500 psi high pressure mud system. Nine rigs in Argentina are equipped with skid systems, a third mud pump and 7,500 psi high pressure mud systems.

(2) The FlexRig® 4 model has a small footprint and is designed to be highly mobile. The rig is equipped with a 300,000 lb. mast, 400HP top drive and two mud pumps. Range 3 drill pipe is used without setback. The rig is capable of horizontal and vertical drilling, but is primarily used for vertical drilling.

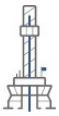
(3) The FlexRig® 3WA is uniquely enhanced for mobility and agility without compromising unconventional pad drilling that advanced drilling programs require for highly complex lateral wells. Its walking capability offers the flexibility of 500ft in a straight line, or multiple rows within a 200 x 50 ft box.

(4) Desert rigs are designed for reliable drilling in extreme weather conditions, specifically in harsh and remote desert environments. Mobile desert rigs are designed for easy transport and quick on-site rig-up while stationary desert rigs are deployed for longer term drilling. Depending on the draw works, these rigs typically feature a mast hook load capacity ranging from 500,000 to 2,000,000 lbs. Powered by dependable Caterpillar engines and equipped with mud pumps that operate at a working pressure of 5,000 to 7,500 psi, they deliver optimal performance under the toughest conditions.

(5) A silicon-controlled-rectifier (“SCR”) system converts alternate current (“AC”) produced by one or more AC generator sets into direct current (“DC”). The SCR rigs are equipped with 3,000 horsepower drawworks to drill deep conventional wells.

(6) Includes two leased rigs that generated revenue during the fiscal year ended September 30, 2026.

The following table sets forth certain information concerning our Offshore Solutions drilling rigs as of September 30, 2026:



OFFSHORE SOLUTIONS FLEET

	Shallow Water[1]		Deep Water[1]		Total Fleet	
Location	Total Available	Rigs Contracted	Total Available	Rigs Contracted	Total Available	Rigs Contracted
Louisiana[2]	1	—	—	—	1	—
Gulf of America	—	—	3	3	3	3
Totals	**1**	**—**	**3**	**3**	**4**	**3**

(1) Shallow water rigs operate on fixed facilities and deep water rigs operate on floating facilities.

(2) Rigs are idle, stacked on land and not in state waters.

Drilling Services and Solutions

We are the largest provider of super-spec AC drive land rigs in the Western Hemisphere. Following our acquisition of KCA Deutag in January 2025, we have significantly expanded our global operations and now maintain a presence across the Middle East, South America, Europe, and Africa. Our operations span both land and offshore drilling markets, enabling us to serve a more diverse and geographically distributed customer base.

The majority of our operations are in North America and specialize in shale and unconventional resource plays, drilling challenging and complex wells in oil and gas producing basins. In the United States, our customers include a diverse mix of large independent, major, mid-sized and small cap oil companies as well as private independent companies (including those backed by private equity), primarily focused on unconventional shale basins.

Internationally, our customer base has expanded to include major international and national oil companies across the Middle East, Latin America, Europe, and Africa. The acquisition has also enhanced our offshore capabilities, particularly in the North Sea and Northern Africa, and has positioned us to deliver greater earnings visibility, cash flow generation, and long-term value creation.

Revenue from drilling services performed for our largest drilling customer totaled approximately 12.5% ($509.7 million) of our total consolidated revenues during fiscal year 2026 compared to 12.0% ($451.3 million) and 11.0% ($302.6 million) during fiscal years 2025 and 2024, respectively.

The following table presents operating statistics for the fiscal years 2026, 2025, and 2024:

	Year Ended September 30,								
	North America Solutions			International Solutions			Offshore Solutions		
	2026	2025	2024	2026	2025	2024	2026	2025	2024
Revenue days[1]	52,130	53,523	55,387	22,933	19,985	4,614	1,095	1,095	1,111
Average active rigs[2]	143	147	151	63	55	13	3	3	3
Number of active rigs at the end of period[3]	151	144	151	67	61	16	3	3	3
Number of available rigs at the end of period	202	223	228	95	137	27	4	7	7

(1) Defined as the number of contractual days for owned and leased rigs with recognized revenue during the period.

(2) Active rigs generate revenue for the Company; accordingly 'average active rigs' represents the average number of rigs generating revenue during the applicable period. This metric is calculated by dividing revenue days by total days in the applicable fiscal year (i.e. 365 days for fiscal years 2026 and 2025 and 366 days for fiscal year 2024). This includes the impact of downsizing our fleet and/or rigs that have been reclassified to assets held-for-sale. See Note 4—Property, Plant and Equipment to our Consolidated Financial Statements.

(3) Defined as the number of rigs generating revenue at the applicable end date of the time period.

Our Segments

North America Solutions Segment

We believe we operate the largest and most technologically advanced AC drive drilling rig fleet in North America and have a presence in most of the U.S. shale and unconventional basins. We have the leading market share in at least two of the most active oil basins, which include the Permian Basin and Eagle Ford Shale. All of our active rigs are capable of drilling horizontal or directional wells. As of September 30, 2026, we had approximately 24.2% of the total market share in U.S. land drilling and approximately 31.3% of the super-spec market share in U.S. land drilling. In the United States, we have the industry's largest super-spec fleet and had 151 of our 202 marketed rigs active under contract as of September 30, 2026.

Our drilling technology within this segment enables a solutions-based approach that provides performance-driven drilling services designed to help deliver greater levels of drilling efficiency, accuracy, consistency, optimization and a reduction of human error to create higher quality wellbores with lower overall risk. This technology is intended to address our customers' unique challenges based upon their goals and desired outcomes which will often vary from well to well, basin to basin.

Our North America Solutions segment contributed approximately 54.9% ($2.2 billion) of our consolidated operating revenues during fiscal year 2026, compared to approximately 63.0% ($2.4 billion) and 88.7% ($2.4 billion) of our consolidated operating revenues during fiscal years 2025 and 2024, respectively. In North America, our customers are primarily from the major integrated oil companies, large independent oil companies, small cap oil companies and private independent companies (including private equity-backed companies). Revenue from drilling services performed for our largest North America Solutions drilling customer totaled approximately 21.2% ($475.4 million) of the North America Solutions segment revenues during fiscal year 2026.

International Solutions Segment

Our International Solutions segment conducts operations primarily in Saudi Arabia, Oman, and Argentina. As of September 30, 2026, we had 67 land rigs actively working and generating revenue in locations outside of the United States. Our International Solutions operations contributed approximately 24.3% ($991.0 million) of our consolidated operating revenues during fiscal year 2026, compared to approximately 21.4% ($802.4 million) and 7.0% ($194.0 million) of our consolidated operating revenues during fiscal years 2025 and 2024, respectively. Revenue from drilling services performed for our largest International Solutions drilling customer totaled approximately 28.0% ($276.0 million) of the International Solutions segment revenues during fiscal year 2026.

Saudi Arabia As of September 30, 2026, we had 38 available rigs in Saudi Arabia, of which 22 were actively working and generating revenue. Revenues generated by Saudi Arabia within the International Solutions operating segment contributed approximately 6.8% ($276.0 million) of our consolidated operating revenues in fiscal year 2026 compared to approximately 6.9% ($259.0 million) of our consolidated operating revenues during fiscal year 2025. All of our revenues in Saudi Arabia are from contracts with the national oil company. During fiscal year 2025, we commenced operations for our eight FlexRigs® in Saudi Arabia.

Oman As of September 30, 2026, we had 19 available rigs in Oman, of which 15 were actively working and generating revenue. Revenues generated by Oman drilling operations within the International Solutions operating segment contributed approximately 6.2% ($251.0 million) of our consolidated operating revenues in fiscal year 2026 compared to approximately 4.7% ($177.9 million) of our consolidated operating revenues during fiscal years 2025. All of our revenues during fiscal year 2025 were generated from expanded operations following the Acquisition. Oman drilling contracts are with international oil companies, a partner of the national oil company, and a private independent oil company.

Argentina As of September 30, 2026, we had 12 available rigs in Argentina, of which 11 were actively working and generating revenue. Revenues generated by Argentine drilling operations within the International Solutions operating segment contributed approximately 4.4% ($179.4 million) of our consolidated operating revenues during fiscal year 2026 compared to approximately 4.2% ($155.7 million) and 5.2% ($142.5 million) of our consolidated operating revenues during fiscal years 2025 and 2024, respectively. The Argentine drilling contracts are primarily with large international or national oil companies.

Rest of World As of September 30, 2026, we had 26 available rigs in other international locations, of which 19 were actively working and generating revenue. Revenues generated by drilling operations in other international locations within the International Solutions operating segment contributed approximately 7.0% ($284.6 million) of our consolidated operating revenues during fiscal year 2026 compared to approximately 5.6% ($209.8 million) and 1.9% ($51.5 million) of our consolidated operating revenues during fiscal years 2025 and 2024, respectively.

Offshore Solutions Segment

Our Offshore Solutions segment has been in operation since 1968 and currently consists of four platform rigs located in U.S. federal waters. Our offshore rig fleet operates on conventional fixed leg platforms and floating platforms attached to the sea floor with mooring lines, such as Spars and Tension Leg Platforms. Additionally, we provide management contract services to contracted rig platforms located in U.S. federal waters, the North Sea and Norwegian Sea off the coast of Norway, Caspian Sea and other international waters. We supply the rig equipment and crews and the operator, who owns the platform, will typically provide production equipment or other necessary facilities.

As of September 30, 2026, three of the four offshore rigs were under contract. Our Offshore Solutions operations contributed approximately 17.7% ($720.7 million) of our consolidated operating revenues during fiscal year 2026, compared to approximately 13.9% ($520.4 million) and 3.9% ($106.2 million) of our consolidated operating revenues during fiscal years 2025 and 2024, respectively. Revenues from drilling services performed for our largest offshore drilling customer totaled approximately 44.2% ($318.7 million) of offshore revenues during fiscal year 2026.

Other Operations

Other operations is primarily comprised of our BENTEC™ manufacturing and engineering operations, with four facilities serving the energy industry.

We also continue to use our Captive insurance subsidiaries to fund SIRs and deductibles for our domestic workers' compensation, general liability, automobile liability claims programs, medical stop-loss program, and certain international casualty and rig property programs.

Our manufacturing and engineering operations and our wholly-owned captive insurance companies are included in "Other" within our segment disclosures.

Rigs, Equipment, R&D, and Facilities

Since the late 1990s, we have advanced a new generation of drilling rigs prioritizing safety, mobility, and performance. Our FlexRig® platform, first introduced in 1998, has evolved through continuous innovation and has delivered higher-value wells and improved operational efficiency for our customers.

As part of our ongoing strategy to deploy additional rigs globally, in 2025, we acquired KCA Deutag, expanding our land drilling footprint in the Middle East, South America, Europe, and Africa and adding valuable offshore management expertise in regions such as the North Sea, Azerbaijan, and Canada. This acquisition complements our rig portfolio and broadens our customer reach.

The BENTEC™ business unit, which was acquired as part of the Acquisition, adds manufacturing and engineering capabilities through four facilities, retrofits and component overhauls within our vertically integrated model. Our facilities in Galena Park, Texas, and Tulsa, Oklahoma-area facilities will continue to provide rig assembly and modular component support, now enhanced by BENTEC™'s engineering depth.

Fleet uniformity and operating consistency remains a cornerstone of our strategy. The optimization of KCA Deutag's assets will emphasize standardized operating controls, adaptive crew training, and centralized supply chain management to enhance operational consistency, safety, and reliability across our expanded global fleet.

Our Rig Systems Monitoring and Support Center (RSMS) and Remote Operations Centers (ROCs) will now support the expanded global fleet, providing 24/7 monitoring, real-time feedback, and engineering support to optimize performance and reduce nonproductive time. We believe the integration of KCA Deutag's rigs into our digital ecosystem will enhance wellbore positioning and execution across geographies.

We continue to advance our automation solutions, which leverage machine-human collaboration to reduce variability and improve well economics. These technologies are enabled by our uniform digital fleet and will be extended to applicable KCA Deutag rigs. Our path toward autonomous drilling remains a strategic priority, and the acquisition accelerates our ability to deploy these solutions globally.

We operate legacy H&P vertically integrated facilities for manufacturing, upgrades, retrofits, modifications, overhauls, recertification, and repairs of our rigs and equipment. Our facility located in Galena Park, Texas is primarily utilized for overall rig assembly, overhaul, recommissioning and recertification while our facility near Tulsa, Oklahoma is primarily utilized for modular rig component overhauls and repairs. BENTEC™ operates four facilities that deliver integrated solutions for drilling equipment manufacturing, upgrades, overhauls, and repairs. The Bad Bentheim, Germany facility serves as the main engineering and manufacturing hub; Dammam, Saudi Arabia focuses on services, overhauls, and rig upgrades; Nizwa, Oman provides regional service, repair, and manufacturing capabilities; and Poltava, Ukraine supports the maintenance and servicing of BENTEC™ equipment and rigs.

We continue to see adoption and growth with our technologically enabled automation solutions. We designed these solutions to address our customers' dependence on human decision-making to design, execute and optimize crude oil and natural gas extraction. These technologies enable us to deploy data-driven solutions that reduce variability and costs for achieving optimal outcomes. These solutions are designed to enhance wellbore quality and placement, improve cost performance and well economics, and achieve better consistency at reduced risk. Our automation-focused solutions and applications are enabled by our uniform digital fleet that provide a platform for machine-human collaboration during the drilling process to improve efficiency. Our path to autonomous drilling continues to evolve with several solutions in various stages of commercial testing.

Markets and Competition

Our business largely depends on the level of capital spending by oil and gas companies for exploration and production activities. The level of capital spending has traditionally been correlated to oil and gas prices. Oil and gas prices can be volatile at times depending upon both near and long-term supply and demand factors. Sustained increases or decreases in the prices of oil and natural gas generally have a material impact on the exploration and production activities of our customers. As such, significant declines in the prices of oil and natural gas may have a material adverse effect on our business, financial condition and results of operations. As of September 30, 2026, we had 221 active rigs under contract, compared to 208 and 170 rigs under contract as of September 30, 2025 and 2024, respectively. For further information concerning risks associated with our business, including volatility surrounding oil and natural gas prices and the impact of low oil prices on our business, see Item 1A—Risk Factors and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations included in this Form 10-K.

Our industry is highly competitive, and we strive to differentiate our services based upon the quality of our FlexRig® drilling rigs and our engineering design expertise, operational efficiency, software technologies, and safety and environmental awareness. The number of available rigs generally exceeds demand in many of our markets, resulting in significant price competition. We compete against many drilling companies, some of whom are present in more than one of our operating regions. In the United States, we compete with Nabors Industries Ltd., Patterson-UTI Energy, Inc., Precision Drilling Corporation, and many other competitors with regional operations. Internationally, we compete directly with various contractors at each location where we operate. In the Gulf of America platform rig market, we primarily compete with Nabors Industries Ltd. and Blake International Rigs, LLC. For further information concerning risks associated with competition in our industry, see Item 1A—Risk Factors—Business and Operating Risks.

Drilling Contracts

Our drilling contracts are obtained through competitive bidding or as a result of direct negotiations with customers. Our contracts vary in their terms and rates depending on the nature of the operations to be performed, the duration of the work, the amount and type of equipment and services provided, the geographic areas involved, market conditions and other variables. In many instances, our contracts cover multi-well or pad and multi-year projects. Contracts generally contain renewal or extension provisions exercisable at the option of the customer. The option to extend and the pricing are mutually agreed upon by both the customer and H&P. In most instances, contracts provide for additional payments for mobilization and demobilization of the rig.

The duration of our drilling contracts are generally either “well-to-well/pad-to-pad” or for a fixed term. “Well-to-well” contracts can be terminated at the option of either party upon the completion of drilling of any one well. Fixed-term contracts generally have a minimum term of at least six months up to multiple years. These contracts customarily provide for termination at the election of the customer, but may include an “early termination payment” to be paid to us if the contract is terminated prior to the expiration of the fixed term. However, under certain limited circumstances such as destruction of a drilling rig, bankruptcy, sustained unacceptable performance by us or delivery of a rig beyond certain grace and/or liquidated damage periods, no early termination payment would be paid to us.

Each drilling rig operates under a separate drilling contract and, in some instances, these contracts are part of an over-arching term agreement known as a FlexPool. These agreements are with a limited number of domestic customers that operate multiple rigs, oftentimes across multiple basins in the U.S. Under the FlexPool agreements, customers enter into a fixed term contract covering a minimum amount of drilling days, utilizing a minimum number of drilling rigs and have the flexibility to employ more or fewer rigs as long as the minimum number of rigs (outlined in the agreement) is maintained. If any provisions are violated, as in a customer operating below the minimum number of rigs, early termination payments may apply.

Daywork Contracts

Daywork contracts are contracts under which we charge a rate per day, with the price determined by the location, depth and complexity of the well to be drilled, specification of the rig provided, operating conditions, the duration of the contract, and the competitive forces of the market.

Performance-based Contracts

Performance-based contracts are contracts pursuant to which we are compensated partly based upon our performance against a mutually agreed upon set of predetermined targets. These types of contracts typically have a lower base dayrate, but give us the opportunity to receive additional compensation by meeting or exceeding certain performance targets agreed to by our customers. For example, some performance targets are set based upon days to drill a well or the number of lateral feet drilled in zone per day. We often use our automated technology solutions to assist in achieving the performance targets. The risks associated with these contracts relate to the failure to reach the agreed upon performance targets. If we do not meet these targets, we will not receive additional compensation above the base dayrate. The variable consideration that we expect to receive is estimated at the most likely amount, and constrained to an amount such that it is probable a significant reversal of revenue previously recognized will not occur based on the performance targets. Based on our operational track record throughout fiscal year 2026 and drilling expertise, our performance-based contracts have produced a positive risk-reward outcome. Refer to Note 10—Revenue from Contracts with Customers for additional information related to performance-based contracts.

Contract Backlog

Our contract drilling backlog was $8.8 billion and $7.0 billion as of September 30, 2026 and 2025, respectively. Approximately 22.4% of the September 30, 2026 backlog is reasonably expected to be fulfilled in fiscal year 2027. See Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations—"Contract Backlog" included in this Form 10-K for additional information pertaining to backlog.

Employees

As of September 30, 2026, we had approximately 6,500 employees within the United States and approximately 9,700 employees in our international operations. The number of employees fluctuates depending on the current and expected demand for our services. We consider our employee relations to be robust. None of our U.S. employees are represented by a union. However, some of our international employees are unionized.

Human Capital Objectives and Programs

At Helmerich & Payne, our people are the foundation of our success. We are committed to cultivating a workplace culture that reflects our core values, prioritizes safety, and supports the development and well-being of our employees. Our human capital strategy is designed to attract, retain, and grow a diverse and talented workforce that shares our commitment to operational excellence and responsible energy development.

Culture & Values

Our culture is defined by The H&P Way, which articulates our purpose of improving lives through efficient and responsible energy, and the values that guide our behaviors and decisions. Our values reflect who we are, guide how we interact with one another, our customers, partners and shareholders, and help us create sustainable, long-term value. These values include:

- Actively C.A.R.E.™ – We are committed to Controlling and Removing Exposures for ourselves and others. We care about the Safety and Quality of our work because it directly affects our employees well-being, our customers' success, and the communities in which we work.
- Customer First – We proactively partner with our customers to understand their needs and deliver industry leading outcomes.
- Relentless Innovation – We continuously work to improve and try new approaches to drive performance. We are aligned to our shared objectives, committed to the same execution standards, and hold each other accountable to win together and create long-term value for our customers and shareholders.
- One Team – We are aligned to our shared objectives, committed to the same execution standards, and hold each other accountable to win together and create long-term value for our customers and shareholders.
- Do The Right Thing – Means being honest and transparent. We aim to tackle tough situations, make decisions and speak up when needed. These values are embedded in our daily operations and serve as the foundation for our employee experience, leadership development, and decision-making processes.

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Talent Attraction & Retention

We recognize that recruiting and retaining skilled employees is critical to our success. Our global recruitment teams support rig operations by sourcing, hiring, onboarding, and reassigning personnel. During periods of reduced activity, we maintain relationships with former employees to facilitate re-engagement when appropriate.

We leverage multiple channels for recruiting including our careers site, social media, job fairs, and relationships with educational institutions to attract qualified, diverse, motivated and responsible candidates. Our approach is designed to support consistent staffing and long-term workforce sustainability.

Our early career programs, including our internship program and Engineering Development Program, are designed to attract emerging talent and build a pipeline for technical and organizational capabilities critical to our business. Participants gain hands-on operational experience, structured development and mentorship.

Training and Development

We support the ongoing development of our employees. We have established a global training framework intended to create consistent capability standards and scalable training practices across our regions, while allowing flexibility to meet local business and regulatory requirements. The framework is designed to improve visibility into skill gaps, reduce duplication and support safe, effective performance across our global workforce. As we advance rig floor automation, we are also investing in the technical skills our workforce needs to operate effectively in a technology-enabled environment. Our onboarding programs emphasize safety, ethical conduct, and inclusive teamwork. Training is governed globally through a single steering committee, stewarded by our Organizational Development and Learning team, and delivered regionally through designated regional training owners and an authorized trainer network. This structure is designed to facilitate alignment with H&P's core values and strategic goals.

Key training programs include:

- New Employment Safety Training – Prepares new hires in safety-sensitive roles to work safely on our rigs and provides them with required certifications and cultural orientation.
- Short Service Employee Training – Provides technical, on-the-job training under the guidance of a mentor.
- Ethics and Compliance Training – Covers topics such as our Code of Conduct, anti-discrimination, data privacy, trade compliance and anti-corruption, among others.
- Drillers' Performance Academy – An in-person workshop focused on leadership, team dynamics, and technology training.
- Rig Floor Automation Training – In-person, hands-on technical training that prepares employees to work safely and effectively alongside automated rig systems, along with team dynamics and H&P culture.
- Leadership Training – In person and online courses available to current and aspiring leaders, aligned with The H&P Way.

Leadership Development and Succession

We seek to build the leadership capacity needed to execute our strategy and sustain performance over time. Our approach includes identifying and developing talent for critical roles, strengthening succession pipelines and defining consistent leadership capabilities and expectations across the organization. Executive Horizon, our enterprise leadership acceleration program, is designed to prepare leaders for broader executive responsibility through targeted development, enterprise exposure and mentorship.

Safety Training and Serious Injury and/or Fatality ("SIF") Reduction Program

Safety is a fundamental component of our culture. We strive to build an Actively Caring workforce that prioritizes:

- Personal safety and health
- The safety and health of others
- Protection of the Environments and communities in which we work

Our employees are encouraged to provide open feedback and proactively address exposures that pose health and safety risks. Through training and accountability, we reinforce the importance of safe practices and risk mitigation.

Safety Leadership

Since 2015, we have redefined safety success beyond traditional metrics like Total Recordable Incident Rate ("TRIR"). By maintaining open communication and collaborating with field employees, we have built a strong culture of C.A.R.E. Employees are recognized and rewarded for identifying and reporting near-miss incidents with serious injury or fatality potential. This approach reinforces our proactive safety culture and strengthens organizational health.

SIF Strategy

Our Serious Injury and Fatality ("SIF") strategy is centered on identifying and mitigating high-risk exposures. While we continue to track traditional safety metrics for benchmarking, our safety culture is guided by more meaningful indicators such as:

- SIF Mitigated Rate
- SIF Potential Rate

We prioritize learning from incidents with SIF potential, even when no injury occurs, and escalate investigations accordingly. Our vision for safety is rooted in prevention, transparency, and continuous improvement.

Culture and Belonging

We believe that creating an environment where our employees feel valued and respected drives engagement, better leverages the unique talents and perspectives of our people to innovate and enhances our ability to attract and retain a diversified workforce. H&P is an equal opportunity employer and is committed to equal opportunity employment. H&P has established an employee Culture & Belonging Council with global employee representation. These priorities are evidenced by formalized policies regarding equal opportunity and a discrimination-free workplace.

Employee Benefits, Health and Wellness

We offer competitive compensation and benefits designed to support the health, well-being, and financial security of our employees. Eligibility for specific benefits is subject to applicable plan terms, conditions, and qualification requirements.

For U.S.-based employees, our benefits include:

- Comprehensive medical, dental, and vision coverage
- Health Savings Accounts ("HSAs") and Flexible Spending Accounts ("FSAs")
- 401(k) retirement savings plan with company matching contributions
- Employer-paid life and disability insurance and a wide variety of voluntary insurance coverages for additional medical and financial protection
- Employee Assistance Program ("EAP") offering wellness and support services
- The H&P Way Fund, providing emergency financial assistance
- Discounts on technology, travel, and personal purchases
- Educational Assistance Plan for eligible undergraduate and select graduate programs
- Paid time off programs including vacation, holidays, bereavement, and sick leave

For employees outside the United States, we offer regionally appropriate benefits that are competitive within local markets and aligned with applicable laws and cultural norms.

Insurance and Risk Management

Our operations are subject to a number of operational risks, including personal injury and death, environmental, cyber, and weather risks, which could expose us to significant losses and damage claims. We are not fully insured against all of these risks and our contractual indemnity provisions may not fully protect us. Furthermore, if a significant accident or other event occurs and is not fully covered by insurance or an enforceable or recoverable indemnity from a customer, it could have a material adverse effect on our business, financial condition and results of operations.

We have indemnification agreements with many of our customers and we also maintain liability and other forms of insurance. In general, our drilling contracts contain provisions requiring our customers to indemnify us for, among other things, well control events and reservoir damage. However, our contractual rights to indemnification may be unenforceable or limited due to negligent or willful acts by us, or subcontractors and/or suppliers or by reason of state anti-indemnity laws. Our customers and other third parties may also dispute these indemnification provisions, or we may be unable to transfer these risks to our drilling customers or other third parties by contract or indemnification agreements.

We insure working land rigs and related property and equipment at values that approximate the current replacement costs on the inception date of the policies. However, we maintain substantial self-insured retentions (SIRs) and deductibles under these policies. We also carry insurance with varying SIRs, deductibles, and coverage limits with respect to stacked rigs, offshore platform rigs, and “named windstorm” risk in the Gulf of America.

We have insurance coverage for comprehensive general liability, automobile liability, workers’ compensation and employer’s liability, and certain other specific risks. Insurance is purchased over SIRs or deductibles to reduce our exposure to catastrophic events. We retain a significant portion of our expected losses under our workers’ compensation, general liability and automobile liability programs. We self-insure a number of other risks including loss of earnings and business interruption. We are unable to obtain significant amounts of insurance to cover risks of underground reservoir damage.

Our insurance may not in all situations provide sufficient funds to protect us from all liabilities that could result from our operations. Our coverage includes aggregate policy limits. As a result, we retain the risk for any loss in excess of these limits. No assurance can be given that all or a portion of our coverage will not be canceled, that insurance coverage will continue to be available at rates considered reasonable or that our coverage will respond to a specific loss. Further, we may experience difficulties in collecting from our insurers or our insurers may deny all or a portion of our claims for insurance coverage. For further information see Item 1A—Risk Factors—Business and Operating Risks—*Our drilling and technology related operations are subject to a number of operational risks, including environmental and weather risks, which could expose us to significant losses and damage claims. We are not fully insured against all of these risks and our contractual indemnity provisions may not fully protect us.*

Government Regulations

Our operations are affected from time to time and in varying degrees by foreign and domestic political developments and a variety of federal, state, foreign, regional and local laws, rules and regulations, including those relating to:

- drilling of oil and natural gas wells;
- directional drilling services;
- protection of the environment;
- workplace health and safety;
- labor and employment;
- data privacy;
- taxation;
- exportation or importation of equipment, technology and software;
- currency conversion and repatriation;
- global anti-corruption laws; and
- government sanctions and embargo listing.

Environmental laws and regulations that apply to our operations include the Clean Air Act, the Clean Water Act, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (“CERCLA”), the Resource Conservation and Recovery Act (each, as amended) and similar laws that provide for responses to, and liability for, air emissions, water discharges or releases of oil or hazardous substances into the environment, including damages to natural resources, species, or habitats. Applicable environmental laws and regulations also include similar foreign, state or local counterparts to the above-mentioned federal laws, which regulate air emissions, water discharges, and management of hazardous substances and waste. Additionally, regulations relating to the protection of threatened or endangered species or critical habitats may result in limitations on exploration and production activities. Environmental laws can have a material adverse effect on the drilling industry, including our operations, and compliance with such laws may require us to make significant capital expenditures, such as the installation of costly equipment or operational changes, and may affect the resale values or useful lives of our drilling rigs.

The Occupational Safety and Health Act and other similar laws and regulations govern the protection of the health and safety of employees. The OSHA hazard communication standard, the Environmental Protection Agency community right-to-know regulations under Title III of CERCLA, the Emergency Planning and Community Right-to-Know Act and similar state statutes and local regulations require that information be maintained about hazardous materials used in our operations and that this information be provided to employees, state and local governments, emergency responders and citizens.

A number of countries actively regulate and control the importation and/or exportation of oil and gas and other aspects of the oil and gas industries in their countries. In addition, government actions and initiatives by OPEC+ may continue to contribute to oil price volatility. In some areas of the world, government activity has adversely affected the amount of exploration and development work done by oil and gas companies and influenced their need for drilling services, and likely will continue to do so.

In addition, we are subject to a variety of other U.S. and foreign laws and regulations, including, but not limited to, the U.S. Foreign Corrupt Practices Act, other anti-bribery and anti-corruption laws, and data privacy, data security and consumer protection laws. The U.S. Foreign Corrupt Practices Act and similar anti-bribery and anti-corruption laws in other jurisdictions generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Data privacy, data security, and consumer protection laws in the U.S. that apply to our operations include the Critical Infrastructure Act and the CAN-SPAM Act, and at the state level, the California Consumer Privacy Act ("CCPA") as amended by the California Privacy Rights Act ("CPRA"), as well as similar laws enacted in other states. Because we conduct business in France, Germany, Norway, and the UK, we are also subject to the European General Data Protection Regulation ("GDPR") and the UK Data Protection Act. Our operations in the Middle East and Colombia are subject to similar data privacy and data protection laws. Failure to comply with applicable laws or regulations or acts of misconduct could subject us to fines, penalties or other sanctions. For more information, see Item 1A— "Risk Factors — *Failure to comply with the U.S. Foreign Corrupt Practices Act or foreign anti-bribery legislation could adversely affect our business* and *Our business is subject to complex and evolving laws and regulations regarding privacy, data security and consumer protection*."

We are also subject to the jurisdiction of the U.S. Treasury Department's Office of Foreign Assets Control, the U.S. Commerce Department's Bureau of Industry and Security, the U.S. Customs and Border Protection and other U.S. and non-U.S. laws and regulations governing the international trade of goods, services and technology. Such regulations regarding exports and imports of covered goods or dealings with sanctioned countries, persons or entities include licensing, recordkeeping and reporting requirements. Failure to comply with applicable laws and regulations relating to customs, tariffs, sanctions and export controls may subject us to criminal sanctions or civil remedies, including fines, denial of export privileges, injunctions or seizures of assets. For more information, see Item 1A— "Risk Factors — *Government policies, mandates, and regulations specifically affecting the energy sector and related industries, regulatory policies or matters that affect a variety of businesses, taxation polices, and political instability could adversely affect our financial condition and results of operations.*"

We are also subject to regulation by numerous other regulatory agencies, including, but not limited to, the U.S. Department of Labor, which sets employment practice standards for workers. In addition, we are subject to certain requirements to contribute to retirement funds or other benefit plans, and laws in some jurisdictions may require payment of statutorily calculated amounts to employees upon termination of employment.

We monitor our compliance with applicable governmental rules and regulations in each country of operation. We have made and will continue to make the required expenditures to comply with current and future regulatory requirements. We do not anticipate that compliance with currently applicable rules and regulations and required controls will significantly change our competitive position, capital spending or earnings during fiscal year 2027. We believe we are materially compliant with applicable rules and regulations and, to date, the cost of such compliance has not been material to our business or financial condition. However, future events such as additional laws and regulations, changes in existing laws and regulations or their interpretation or more vigorous enforcement policies of regulatory agencies, may require additional expenditures by us, which may be material. Specifically, the expansion of the scope of laws or regulations protecting the environment has accelerated in recent years, particularly outside the United States, and we expect this trend to continue. Accordingly, there can be no assurance that we will not incur significant compliance costs in the future. See Item 1A— "Risk Factors — *Failure to comply with, or changes to, governmental and environmental laws, including laws and regulations relating to greenhouse gas emissions and climate change, could adversely affect our business."*

Sustainability

H&P has helped its customers supply energy for more than a century, and we continue to innovate and improve the ways in which we can provide energy safely, reliably, and efficiently. The Company continues to evolve and refine its sustainability strategy rooted in our core value to "do the right thing," as discussed above.

Available Information

Our website is located at www.helmerichpayne.com. Annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, earnings releases, and financial statements are made available free of charge on the investor relations section of our website as soon as reasonably practicable after we electronically file such materials with, or furnish such materials to, the Securities and Exchange Commission ("SEC"). The information contained on our website, or accessible from our website, including our Sustainability Reports and related information, is not incorporated into, and should not be considered part of, this Form 10-K or any other documents we file with, or furnish to, the SEC. The SEC maintains a website (http://www.sec.gov) that contains reports, proxy and information statements and other information regarding issuers that file electronically with the SEC. Annual reports, quarterly reports, current reports, amendments to those reports, earnings releases, financial statements and our various corporate governance documents are also available free of charge upon written request.

Investors and others should note that we announce material financial information to our investors using our investor relations website (https://ir.hpinc.com/investors), SEC filings, press releases, public conference calls and webcasts. We use these channels as well as social media to communicate with our stockholders and the public about our company, our services and other issues. It is possible that the information we post on social media could be deemed to be material information. Therefore, we encourage investors, the media, and others interested in our company to review the information we post on the social media channels listed on our investor relations website.

ITEM 1A. RISK FACTORS

An investment in our securities involves a variety of risks. In addition to the other information included and incorporated by reference in this Form 10-K and the risk factors discussed elsewhere in this Form 10-K, the following risk factors should be carefully considered and read in conjunction with the other information in this Form 10-K, as they could have a material adverse effect on our business, financial condition and results of operations. There may be other additional risks, uncertainties and matters not presently known to us or that we believe to be immaterial that could nevertheless have a material adverse effect on our business, financial condition and results of operations.

BUSINESS AND OPERATING RISKS

Our business depends on the level of activity in the oil and natural gas industry, which is significantly impacted by the current and expected price of oil and natural gas as well as the volatility in those prices and other factors.

Our business depends on the conditions of the land and offshore oil and natural gas industry. Demand for our services and the rates we are able to charge for such services depend on oil and natural gas industry exploration and production activity and expenditure levels, which are directly affected by both long- and short-term trends in oil and natural gas prices and market expectations regarding such prices. Oil prices are particularly sensitive to actual and perceived threats to geopolitical stability, global economic conditions, and to changes in production from OPEC+ member states. For example, the ongoing armed conflicts between (i) Russia and Ukraine and (ii) the conflicts in the Middle East, and the continuation of, or any escalation in the severity of, these conflicts, has led and may continue to lead to an increase in the volatility of global oil and gas prices, which could have a corresponding negative impact on the capital expenditure of oil and gas companies as a result of the higher perceived risk.

Oil and natural gas prices and production levels, as well as market expectations regarding such prices and production levels, have been volatile, which has had, and may in the future have, adverse effects on our business and operations. The volatility in prices and production levels are impacted by many factors beyond our control, including:

- the domestic and foreign supply of, and demand for, oil, natural gas and related products;
- the cost of exploring for, developing, producing and delivering oil and natural gas;
- uncertainty in capital and commodities markets and the ability of oil and natural gas producers to access capital;
- the availability of and constraints in storage and transportation capacity, including, for example, takeaway constraints experienced in the Permian Basin over the past several years;
- the worldwide economy;
- expectations about future oil and natural gas prices and production levels (including as a result of certain economic initiatives, such as those related to artificial intelligence);
- local and international political, economic, health and weather conditions, especially in oil and natural gas producing countries, including, for example, the impacts of local and international pandemics and other disasters;

- actions of OPEC, its members and other oil producing nations, such as Russia, relating to oil price and production levels, including announcements of potential changes to such levels;
- the levels of production of oil and natural gas of non-OPEC countries;
- the continued development of shale plays which may influence worldwide supply and prices;
- tax, trade and tariff policies of the United States and other countries involved in global energy markets;
- political and military conflicts, hostilities or perceived hostilities in oil producing regions or other geographical areas or acts of terrorism in the United States or elsewhere;
- technological advances that are related to oil and natural gas recovery or that affect the global demand or supply for energy;
- the development, exploitation and market acceptance of alternative energy sources as part of a transition to a lower carbon economy;
- focus by the investment community on sustainability practices in the oil and natural gas industry;
- legal and other limitations or restrictions on exportation and/or importation of oil and natural gas;
- laws and governmental regulations affecting the use of oil and natural gas; and
- the environmental and other laws and governmental regulations affecting exploration and development of oil and natural gas reserves.

The level of land and offshore exploration, development and production activity and the prices of oil and natural gas are volatile and are likely to continue to be volatile in the future. Higher oil and natural gas prices do not necessarily translate into increased activity because demand for our services is typically driven by our customers' expectations of future commodity prices, as well as our customers' ability to access sources of capital to fund their operating and capital expenditures. However, a sustained decline in worldwide demand for oil and natural gas, as well as excess supply of oil or natural gas coupled with storage and transportation capacity constraints, shutting in of wells or wells being drilled but not completed, prolonged low oil or natural gas prices or a reduction in the ability of our customers to access capital, has resulted in, and may in the future result in, reduced exploration and development of land and offshore areas and a decline in the demand for our services, which has had, and may in the future, have a material adverse effect on our business, financial condition and results of operations.

Global economic conditions and volatility in oil and gas prices may adversely affect our business.

Concerns over global economic conditions, energy costs, geopolitical issues, public health crises such as pandemics and epidemics, supply chain disruptions, inflation, and the availability and cost of credit have contributed to increased economic uncertainty. Public health crises have in the past adversely affected, and may in the future adversely affect, our operations and those of our customers, including through government-imposed restrictions. An economic slowdown or recession in the United States or in any other country that significantly affects the supply of or demand for oil or natural gas could negatively impact our operations and therefore adversely affect our results. Global economic conditions have a significant impact on oil and natural gas prices and stagnation or deterioration in global economic conditions could result in less demand for our services and could cause our customers to reduce their planned spending on exploration and development drilling. Adverse global economic conditions may cause our customers, vendors and/or suppliers to lose access to the financing necessary to sustain or increase their current level of operations, fulfill their commitments and/or fund future operations and obligations. Furthermore, challenging economic conditions may result in certain of our customers experiencing bankruptcy or otherwise becoming unable to pay vendors, including us. In the past, global economic conditions, and expectations for future global economic conditions, have sometimes significantly deteriorated in a relatively short period of time and there can be no assurance that global economic conditions or expectations for future global economic conditions will recover in the near term or not quickly deteriorate again due to one or more factors. These conditions could have a material adverse effect on our business, financial condition and results of operations.

The drilling services and solutions business is highly competitive, and a surplus of available drilling rigs may adversely affect our rig utilization and profit margins.

Competition in drilling services and solutions involves such factors as price, efficiency, condition, type and operational capability of equipment, reputation, operating safety, environmental impact, customer relations, rig availability and excess rig capacity in the industry. Competition may vary significantly by region at any particular time. Land drilling rigs can be readily moved from one region to another in response to changes in levels of activity, which could result in an oversupply of rigs in any region, leading to increased price competition. In addition, development of new drilling technology by competitors has increased in recent years, which could negatively affect our ability to differentiate our services.

We operate in a very competitive industry, and we are not always successful in raising or maintaining our existing prices. From time to time we are able to increase our prices, but we may not be able to do so at a rate that is sufficient to offset rising costs. The inability to maintain our pricing and to increase our pricing as costs increase to offset rising costs and capital expenditures could adversely affect our rig utilization and profit margins.

Various factors within our industry could cause there to be substantially more drilling rigs available than necessary to meet demand even as oil and natural gas prices, and drilling activity, increase. In the event of a surplus of available and more competitive drilling rigs, we may continue to experience difficulty in replacing fixed-term contracts, extending expiring contracts or obtaining new contracts in the spot market, and new contracts may contain lower dayrates and substantially less favorable terms, which could have a material adverse effect on our business, financial condition and results of operations. As of September 30, 2026, 80 of our available rigs were not actively working and generating revenue..

Further, as a result of any significant reduction in the demand for oil and natural gas services, certain of our competitors may engage in bankruptcy proceedings, debt refinancing transactions, management changes, or other strategic initiatives in an attempt to reduce operating costs to maintain a position in the market. This could result in such competitors emerging with stronger or healthier balance sheets and in turn an improved ability to compete with us in the future.

Consolidation in our industry may impact our results of operations.

Business consolidations within the oil and gas industry in recent years have resulted in some of our largest customers combining and using their size and purchasing power to seek economies of scale and pricing concessions. Continuing consolidation within the industry may result in reduced capital spending by some of our customers or the acquisition of one or more of our primary customers, which may lead to decreased demand for our products and services. There is no assurance that we will be able to maintain our level of sales to a customer after its consolidation with another company or replace that revenue with increased business activity with other customers. Additionally, corporate consolidations among our competitors could significantly alter industry conditions and competition within the industry. As a result, the acquisition of one or more of our primary customers or consolidations among our competitors may have a significant adverse impact on our business, results of operations, financial condition and cash flows. We are unable to predict what effect consolidations in the industry may have on prices, capital spending by our customers, our selling strategies, our competitive position, our ability to retain customers or our ability to negotiate favorable agreements with our customers.

New technologies may cause our drilling methods and equipment to become less competitive, and it may become necessary to incur higher levels of capital expenditures in order to keep pace with the disruptive trends in the drilling industry. Growth through the building of new drilling rigs and improvement of existing rigs is not assured.

The market for our services is characterized by continual technological developments that have resulted in, and will likely continue to result in, substantial improvements in the functionality and performance, including environmental performance, of rigs and equipment. Our customers increasingly demand the services of newer, higher specification drilling rigs, as well as new and improved technology, such as drilling automation technology and lower-emissions operations and services. This results in a bifurcation of the drilling fleet and is evidenced by the higher specification drilling rigs (e.g., AC rigs) generally operating at higher overall utilization levels and dayrates than the lower specification drilling rigs (e.g., SCR rigs). In addition, a significant number of lower specification rigs are being stacked and/or removed from service.

Although we take measures to ensure that we develop and use advanced oil and natural gas drilling technology, changes in technology, improvements by competitors and increasing customer demands for new and improved technology could make our equipment less competitive. There can be no assurance that we will:

- have sufficient capital resources to improve existing rigs or build new, technologically advanced drilling rigs;
- avoid cost overruns inherent in large fabrication projects resulting from numerous factors such as shortages or unscheduled delays in delivery of equipment or materials, inadequate levels of skilled labor, unanticipated increases in costs of equipment, materials and labor, design and engineering problems, and financial or other difficulties;
- successfully deploy idle, stacked, new or upgraded drilling rigs;
- effectively manage the increased size or future growth of our organization and drilling fleet;
- maintain crews necessary to operate existing or additional drilling rigs; or
- successfully improve our financial condition, results of operations, business or prospects as a result of improving existing drilling rigs or building new drilling rigs.

In the event that we are successful in developing new technologies for use in our business, there is no guarantee of future demand for those technologies. Customers may be reluctant or unwilling to adopt our new technologies. We may also have difficulty negotiating satisfactory terms for our technology services or may be unable to secure prices sufficient to obtain expected returns on our investment in the research and development of new technologies. We also increasingly utilize artificial intelligence and data analytics within our operations and technology offerings. These tools may produce inaccurate or unreliable outputs, are governed by rapidly evolving regulations, and could expose us to competitive, legal and reputational risks.

If we are not successful in upgrading existing rigs and equipment or building new rigs in a timely and cost-effective manner suitable to customer needs, demand for our services could decline and we could lose market share. One or more technologies that we may implement in the future may not work as we expect and our business, financial condition, results of operations and reputation could be adversely affected as a result. Additionally, new technologies, services or standards could render some of our services, drilling rigs or equipment obsolete, which could reduce our competitiveness and have a material adverse impact on our business, financial condition and results of operations.

Our drilling and technology related operations are subject to a number of operational risks, including environmental and weather risks, which could expose us to significant losses and damage claims. We are not fully insured against all of these risks and our contractual indemnity provisions may not fully protect us.

Our operations are subject to many hazards inherent in the business in which we operate, including inclement weather, natural disasters, unplanned power outages, blowouts, explosions, well fires, loss of well control, equipment failure, computer system disruptions, acts of terrorism, sabotage or war, pollution, and reservoir damage, as well as other unexpected or unforeseeable events, the occurrence and consequences of which we cannot predict. These hazards could cause significant environmental and reservoir damage, personal injury and death, suspension of operations, serious damage or destruction of equipment and property and substantial damage to producing formations and surrounding lands and waters. An accident or other event resulting in significant environmental or property damage, or injuries or fatalities involving our employees or other persons could also trigger investigations by federal, state or local authorities. Such an accident or other event and subsequent crisis management efforts could cause us to incur substantial expenses in connection with investigation and remediation as well as cause lasting damage to our reputation, loss of customers and an inability to obtain insurance.

Our Offshore Solutions operations are also subject to potentially significant risks and liabilities attributable to or resulting from adverse environmental conditions, including pollution of offshore waters and related negative impact on wildlife and habitat, adverse sea conditions and platform damage or destruction due to collision with aircraft or marine vessels. Our Offshore Solutions operations may also be negatively affected by a blowout or an uncontrolled release of oil or hazardous substances by third parties whose offshore operations are unrelated to our operations. We operate several platform rigs in the Gulf of America. The Gulf of America experiences hurricanes and other extreme weather conditions on a frequent basis, which may increase in frequency and severity as a result of climate change. See below *"—The physical effects of climate change and a transition to a lower-carbon economy, including reduced demand for oil and natural gas, could have a negative impact on our business."* Damage caused by high winds and turbulent seas could potentially curtail operations on our platform rigs for significant periods of time until the damage can be repaired. Moreover, we may experience disruptions in operations due to damage to customer platforms and other related facilities in the area. We also lease a fabrication facility near the Houston, Texas ship channel, regularly have land drilling operations proximate to the gulf coast, and our principal fabricator and other vendors are also located in the gulf coast region, all of which could be exposed to damage or disruption by hurricanes and other extreme weather conditions, including coastal flooding, which in turn could result in increased operating costs or decreases in revenues and adversely affect our business, financial condition, and results of operations.

It is customary in our business to have mutual indemnification agreements with customers on a “knock-for-knock” basis, which means that we and our customers assume liability for our respective personnel, subcontractors, and property. In general, our drilling contracts contain provisions requiring our customers to indemnify us for, among other things, well control events and reservoir damage. However, our contractual rights to indemnification may be unenforceable or limited due to negligent or willful acts by us, our subcontractors and/or suppliers. Additionally, certain states, including Texas, New Mexico, Wyoming, and Louisiana, have enacted statutes generally referred to as "oilfield anti-indemnity acts," which expressly limit certain indemnity agreements contained in or related to indemnification in contracts, and could expose the Company to financial loss. Furthermore, other states may enact similar oilfield anti-indemnity acts.

Our customers and other third parties may also dispute, or be unable to meet, their contractual indemnification obligations to us due to financial, legal or other reasons. Accordingly, we may be unable to transfer these risks to our customers and other third parties by contract or indemnification agreements. Incurring a liability for which we are not fully indemnified or insured could have a material adverse effect on our business, financial condition and results of operations.

In addition, we maintain insurance coverage of the types and in the amounts that we believe to be customary in the industry, but we do not insure against all risks, either because insurance is not available or because it is not commercially justifiable. See Item 1—Business—"Insurance and Risk Management” for a description of our insurance coverage. Our insurance will not in all situations provide sufficient funds to protect us from all losses and liabilities that could result from our operations. Our coverage includes aggregate policy limits. As a result, we retain the risk for any loss in excess of these limits. No assurance can be given that insurance coverage will continue to be available at rates considered reasonable or that our coverage will respond to a specific loss. Further, we may experience difficulties in collecting from our insurers or our insurers may deny all or a portion of our claims for insurance coverage.

If a significant accident or other event occurs and is not fully covered by insurance or an enforceable or recoverable indemnity from a customer, it could have a material adverse effect on our business, financial condition and results of operations.

Our business is subject to cybersecurity and information technology system disruption risks.

Our operations depend on effective and secure information technology systems, including our own systems and the systems of third party vendors upon which we rely, such as those providing cloud services to us. Potential unauthorized occurrences on or through our information technology systems, including as a result of cybersecurity incidents, that may result in adverse effects on the confidentiality, integrity, and availability of these systems and data residing therein continue to grow. Cybersecurity threats could include, but are not limited to, cybersecurity incidents, such as ransomware attacks, denial-of-service attacks, phishing attacks, malicious software; unauthorized or unlawful access, release, corruption or loss of our data; employee or insider error; interruptions in communication; loss of our intellectual property or theft of our FlexRig® and other sensitive or proprietary technology; or loss or damage to our data delivery systems or other cybersecurity and infrastructure systems, including our property and equipment. In addition, a significant number of our employees now work remotely. Remote work relies heavily on the use of remote networking and online conferencing services that enable employees to work outside of our corporate infrastructure and, in some cases, use their own personal devices, which exposes the Company to additional cybersecurity risks. This risk is exacerbated with the advancement of technologies like artificial intelligence, which malicious third parties are using to create new, sophisticated and more frequent attacks. Furthermore, geopolitical tensions or conflicts, such as the ongoing armed conflicts between Russia and Ukraine and the conflicts in the Middle East, may further heighten the risk of cybersecurity attacks. Our information technology systems and those of our third party vendors are also subject to disruptions due to occurrences other than cybersecurity incidents, such as natural disasters or power outages.

Cybersecurity threats, such as cybersecurity incidents or other disruptions involving our own systems or those of our third-party vendors, could:

- disrupt our operations including operational technologies as well as our corporate information technology systems,
- negatively impact our ability to compete,
- result in the theft or misappropriation of funds,
- cause the loss, corruption or misappropriation of personal, proprietary or confidential information,
- expose us to litigation, regulatory action, and potential liability, and
- result in injury to our reputation, downtime, loss of revenue, and increased costs to prevent, respond to or mitigate cybersecurity incidents or other cybersecurity threats.

It is possible that our business, financial and other systems, as well as those of our third-party vendors, could be compromised. While various procedures and controls are being utilized to mitigate exposure to such risk, there can be no assurance that the procedures and controls that we implement, or which we cause third party service providers to implement, will be sufficient to protect our systems, data or other property. See Item 1C—Cybersecurity for a description of cybersecurity controls and procedures. A security incident or other cybersecurity threat could have a material adverse effect on our business, financial condition, cash flows, results of operations, and reputation. Our rigs also rely on operational technology and automated control systems, including our automation and robotics platforms, and a compromise of those systems could disrupt drilling operations or cause safety incidents. Determining whether a cybersecurity incident is material, and whether it triggers disclosure or notification obligations, requires significant judgment, and an incorrect determination could result in regulatory action or liability. Further, as cybersecurity incidents continue to evolve, we will be required to incur additional costs to continue to modify or enhance our protective measures or to investigate or remediate the effects of cybersecurity incidents.

Our acquisitions, dispositions, investments and other strategic initiatives may not result in anticipated benefits and may present risks not originally contemplated, which may have a material adverse effect on our liquidity, consolidated results of operations and consolidated financial condition.

We continually seek opportunities to maximize efficiency and value through various transactions, including purchases or sales of assets, businesses, investments, or joint venture interests. These strategic transactions, among others, are intended to (but may not) result in access to new markets, the realization of savings, the creation of efficiencies, the offering of new products or services, the generation of cash or income, or the reduction of risk and the failure to achieve such intended benefits could have a material adverse effect on our business. Acquisition transactions may use cash on hand or be financed by additional borrowings or by the issuance of our common stock. These transactions may also affect our liquidity, consolidated results of operations and consolidated financial condition.

These transactions also involve risks, and we cannot ensure that:

- any acquisitions we attempt will be completed on the terms announced, or at all;
- any acquisitions would result in an increase in income or provide an adequate return of capital or other anticipated benefits;
- any acquisitions would be successfully integrated into our operations and internal controls, including those related to financial reporting, disclosure and cyber and information security;
- the due diligence conducted prior to an acquisition would uncover situations that could result in financial or legal exposure, or that we will appropriately quantify the exposure from known risks;
- any disposition would not result in decreased earnings, revenue, or cash flow;
- use of cash for acquisitions would not adversely affect our cash available for capital expenditures and other uses; or
- any dispositions, investments, or acquisitions, including integration efforts, would not divert management resources.

While we generally seek to obtain indemnities for liabilities arising from events occurring before such acquisitions, we may be unable to do so, and any indemnities we do obtain will be limited in amount and duration, may be held to be unenforceable or the seller may not be able to indemnify us.

Integration of our 2025 acquisition of KCA Deutag remains ongoing in certain areas, including the consolidation of systems and controls. We are also implementing an enterprise optimization program that includes reducing corporate costs, standardizing our operating model and systems, exiting non-core geographies and selling non-core assets. The anticipated synergies, cost savings and other benefits of these efforts may not be realized fully, on the expected timeline or at all, and these efforts could disrupt our operations or internal controls, strain relationships with customers, vendors, business partners and employees, involve unknown liabilities not discovered in due diligence, result in exit costs or further impairment charges and divert management attention, any of which may disrupt the Company's business and results of operations.

We have allocated a portion of the purchase price of certain acquisitions to goodwill and other intangible assets. The amount allocated to goodwill is the excess of the purchase price over the net identifiable assets acquired. At September 30, 2026, we had goodwill of $184.8 million and other intangible assets, net of $347.6 million. If we experience future negative changes in our business climate or our results of operations such that we determine that goodwill or intangible assets are impaired, we will be required to record impairment charges with respect to such assets.

Technology disputes and limitations on our ability to protect or enforce our intellectual property rights could negatively impact our costs, revenues, and any competitive advantage we hold.

Drilling rigs use proprietary technology and equipment which can involve potential infringement of a third party's rights, or a third party's infringement of our rights, including patent rights. The majority of the intellectual property rights relating to our drilling rigs and technology services are owned by us or certain of our supplying vendors. From time to time, we or our customers or supplying vendors become involved in disputes over infringement of intellectual property rights relating to equipment or technology owned or used by us. As a result, we may lose access to important equipment or technology, be required to cease use of some equipment or technology, be forced to modify our drilling rigs or technology, or be required to pay license fees or royalties for the use of equipment or technology. Regardless of the merits, any such claims generally result in significant legal and other costs, including reputational harm, and may distract management from running our business.

There can also be no assurance that the steps we take to obtain, maintain, protect, and enforce our intellectual property rights will be adequate. Our business may be adversely affected when our patents are unenforceable, the claims allowed under our patents are not sufficient to protect our technology, our patent applications are denied, or our trade secrets are not adequately protected. In addition, we may lose a competitive advantage in the event we are unsuccessful in enforcing our rights against third parties, third parties are successful in enforcing their rights against us, or our competitors are able to develop technology independently that is similar to ours without infringing on our patents or gaining access to our trade secrets. As a result, any technology disputes involving us or our customers or supplying vendors or limitations on our ability to protect or enforce our intellectual property rights could have a material adverse impact on our business, financial condition and results of operations.

Reliance on management and competition for experienced personnel may negatively impact our operations or financial results.

We greatly depend on the efforts of our executive officers and other key employees to manage our operations. Similarly, we utilize highly skilled personnel in operating and supporting our businesses and in developing new technologies. In times of high utilization, it can be difficult to find and retain qualified individuals and, during the recent period of sustained declines in oil and natural gas prices, there have been reductions in the oil field services workforce, both of which have resulted and may in the future result in higher labor costs. The loss of members of management or the inability to attract and retain qualified personnel could have a material adverse effect on our business, financial condition and results of operations. In addition, the unexpected loss of members of management, qualified personnel or a significant number of employees due to disease, disability, or death, could have a detrimental effect on us.

The loss of one or a number of our large customers could have a material adverse effect on our business, financial condition and results of operations.

In fiscal year 2026, we received approximately 57.1% of our consolidated operating revenues from our ten largest drilling services and solutions customers (including their affiliates) and approximately 27.7% of our consolidated operating revenues from our three largest drilling services and solutions customers (including their affiliates). If one or more of our larger customers terminated their contracts, failed to renew existing contracts with us, suspended active contracts for a prolonged period or refused to award us with new contracts, it could have a material adverse effect on our business, financial condition and results of operations. Further, consolidation among oil and natural gas exploration and production companies may reduce the number of available customers. See above *"—Consolidation in our industry may impact our results of operations"* for additional disclosure regarding consolidations in our industry.

Our current backlog of drilling services and solutions revenue may decline and may not be fully realized as fixed-term contracts and, in certain instances, these contracts can be terminated without an early termination payment or suspended without standby or force majeure compensation.

Fixed-term drilling contracts typically allow customers to terminate the agreement early for convenience, default, or extended force majeure events. An "early termination payment" is usually owed to us if a contract is terminated prior to expiration of the fixed term. However, in the event of default, such as destruction of a drilling rig, our bankruptcy, sustained unacceptable performance by us or delivery of a rig beyond certain grace and/or liquidated damage periods, no early termination payment would be paid to us. Even in cases where such payment is owed, customers may be unable or unwilling to pay it during depressed market conditions and may seek to suspend, negotiate, or terminate the contract instead. Additionally, some of our international drilling contracts do not include provisions for early termination payments or compensation for drilling suspension.

Regardless of the reason for an early termination or suspension of a contract, such termination or suspension can lead to a drilling rig being idle for an extended period if we cannot promptly secure new contracts on substantially similar terms, which could have a material adverse effect on our business, financial condition and results of operations. As of September 30, 2026, our drilling services backlog was approximately $5.7 billion for future revenues under firm commitments. Our drilling services backlog may decline over time if existing contract term coverage is not replaced by new term contracts or price modifications for existing contracts. Factors, such as low or declining oil prices and reduced capital spending by our customers can contribute to this decline. Our inability or the inability of our customers to meet contractual obligations may have a material adverse impact on our business, financial condition and results of operations.

Our contracts with national oil companies and their control of oil and natural gas reserves may expose us to additional commercial, political, operational and local-content risks and may affect the demand for our services and products.

We currently own and operate rigs and have deployed technology under contracts with foreign national oil companies. Much of the world's oil and natural gas reserves are controlled by national oil companies, and we may expand our International Solutions operations and enter into additional, significant contracts with national oil companies. The terms of these contracts may contain non-negotiable provisions and may expose us to greater commercial, political, operational, environmental and other risks than we assume in other contracts, including materially greater environmental liability and other claims for damages (including consequential damages) and personal injury related to our operations, and the risk that a contract may be terminated or suspended by our customer without cause on short-term notice, contractually or by governmental action, or under conditions that may not provide us with an early termination payment or standby compensation. For example, beginning in July 2024, we received notifications of contract suspensions for a number of our rigs operating in Saudi Arabia and we have not received reactivation notices for some of these rigs. National oil companies may also require contractors to meet local content requirements or other local standards, such as hiring local employees, using local suppliers or conducting operations through local entities or joint ventures with local partners, which could be difficult or undesirable for us to meet. Failure to meet those requirements and standards may adversely affect our operations in those countries, and our ability to work with national oil companies is subject to negotiating and agreeing upon acceptable contract terms. We can provide no assurance that increased risk exposure will not adversely impact our future operations or that we will not increase the number of rigs contracted, or the amount of technology deployed, to national oil companies with commensurate additional contractual risks. Risks associated with national oil companies, including their control of reserves and the terms of their contracts, could ultimately have a material adverse effect on our business, financial condition and results of operations.

Our drilling services operating expense includes fixed costs that may not decline in proportion to decreases in rig utilization and dayrates.

Our drilling services operating expense includes all direct and indirect costs associated with the operation, maintenance and support of our drilling equipment, which is often not affected by changes in dayrates and utilization. During periods of reduced revenue and/or activity, certain of our fixed costs (such as depreciation) may not decline and often we may incur additional costs. During times of reduced utilization, reductions in costs may not be immediate as we may incur additional costs associated with maintaining and cold stacking a rig, or we may not be able to fully reduce the cost of our support operations in a particular geographic region due to the need to support the remaining drilling rigs in that region. Accordingly, a decline in revenue due to lower dayrates and/or utilization may not be offset by a corresponding decrease in drilling services and solutions expense, which could have a material adverse impact on our business, financial condition and results of operations.

Shortages of drilling equipment, supplies or other key materials could adversely affect our operations.

The drilling services and solutions business is highly cyclical. During periods of increased demand for drilling services and solutions and periods of supply chain disruption, delays in delivery and shortages of drilling equipment and supplies can occur and it may take longer for our suppliers to service drilling components. Additionally, suppliers may seek to increase prices for equipment, supplies, and services, which we are unable to pass through to our customers, either due to contractual obligations or market constraints in the drilling services and solutions business. Further, certain key rig components, parts and equipment are also either purchased from, fabricated or serviced by a limited number of vendors, which, in some cases, may be thinly capitalized and disproportionately affected by any loss of business, downturn in the energy industry, supply chain disruptions, or reduction or availability of credit. The failure of one or more third-party suppliers, manufacturers or service providers to provide equipment, components, parts or services, whether due to capacity constraints, labor shortages or other labor-related difficulties, production or delivery disruptions, price increases, quality control issues, recalls or other decreased availability of parts and equipment, is beyond our control and could materially disrupt our operations or result in the delay, renegotiation or cancellation of drilling contracts, thereby causing a loss of contract drilling backlog and/or revenues to us, as well as an increase in operating costs. To date, as an industry leader, we have effectively managed these delays, disruptions, and shortages by engaging in near and long-term demand planning with multiple suppliers who provide and service key rig components, parts and equipment. However, if we are not able to effectively manage these disruptions and delays in the future, they could have a material adverse effect on our business, financial condition and results of operations.

Continuing inflation and cost increases may impact our sales margins and profitability.

Increases in the cost of labor, materials, parts, equipment, global transportation and logistics costs and other operational components have the potential to adversely affect our results of operations, cash flows and financial position by increasing our overall cost structure, particularly if we are unable to achieve commensurate increases in the prices we charge our customers for our services. Tariffs on steel and other imported components, and any retaliatory measures, could increase the cost of building, upgrading, maintaining and relocating our rigs and could reduce our customers' spending. Although some of our contracts include cost escalation provisions, those provisions may not fully or promptly offset our cost increases. In addition, our customers are also affected by inflation and the rising costs of goods and services used in their businesses, which could negatively impact their ability to purchase our services, which could adversely impact our revenue and profitability. There is no guarantee that we can increase selling prices, replace lost revenue, or reduce costs to fully mitigate the effect of inflation on our costs and business, which may adversely impact our sales margins and profitability.

Unionization efforts and labor regulations in certain countries in which we operate could materially increase our costs or limit our flexibility.

Certain of our international employees are unionized, and efforts may be made from time to time to unionize other portions of our workforce. We may in the future be subject to strikes or work stoppages and other labor disruptions in connection with unionization efforts or renegotiation of existing contracts with unions representing our international employees. For example, worker strikes of short duration are common in Argentina and our operations have experienced such strikes in the past. Union expansion, if successful, new collective bargaining agreements or work stoppages could materially increase our labor costs, reduce our revenues or limit our operational flexibility. Further, our responses to any union organizing efforts could negatively impact our reputation and have adverse effects on our business, financial condition and results of operations.

Our business and results of operations may be adversely affected by foreign political, economic and social instability risks, including armed conflict and hostilities, foreign currency restrictions and devaluation, and various local laws associated with doing business in certain foreign countries.

We currently have drilling operations in South America (primarily Argentina and Colombia), the Middle East, Europe, Africa and Australia. In the future, we may further expand the geographic reach of our operations. As a result, we are exposed to several political, economic and other uncertainties not encountered in U.S. operations, including increased risks of social unrest, strikes, terrorism, war, kidnapping of employees, nationalization, and forced negotiation or modification of contracts; difficulty resolving disputes (including technology disputes) and enforcing contract provisions, expropriation of equipment as well as expropriation of oil and gas exploration and drilling rights; taxation policies; foreign exchange restrictions and restrictions on repatriation of income and capital; currency rate fluctuations; increased governmental ownership and regulation of the economy and industry in the markets in which we operate; economic and financial instability of national oil companies; restrictive governmental regulation; bureaucratic delays; increased compliance costs; and general hazards associated with foreign sovereignty over certain areas in which operations are conducted.

South American countries, in particular, have historically experienced uneven periods of economic growth, as well as recession, periods of high inflation and general economic and political instability. From time to time, these risks have impacted our business. For example, in Argentina, while our dayrate is denominated in U.S. dollars, we are paid in Argentine pesos and Argentina has a history of implementing currency controls, which limit our ability to access U.S. Dollars in Argentina and repatriate cash from our Argentina operations. Argentina’s economy is currently considered highly inflationary, which is defined as cumulative inflation rates exceeding 100% in the most recent three-year period based on inflation data published by the respective governments. For foreign subsidiaries where the functional currency is the USD, monetary assets and liabilities are remeasured at the exchange rate in effect at the balance sheet date, while non-monetary items are remeasured at historical exchange rates. Revenues and expenses are remeasured at the average exchange rates prevailing during the reporting period. Gains and losses resulting from remeasurement are included within Foreign currency exchange loss on the Consolidated Statements of Operations. For fiscal year 2026, we recognized aggregate foreign currency losses of $2.5 million in Argentina. Our aggregate foreign currency gains (losses) across all of our operations for fiscal years 2026, 2025 and 2024 were $0.3 million, $(9.7) million and $(5.6) million, respectively. However, in the future, we may incur larger currency devaluations, foreign exchange restrictions or other difficulties repatriating U.S. dollars from Argentina or elsewhere, which could have a material adverse impact on our business, financial condition and results of operations. The Central Bank of Argentina maintains currency controls that limit our ability to access U.S. dollars in Argentina and remit cash from our Argentine operations. The execution of certain trades known as Blue Chip Swaps effectively results in a parallel U.S. dollar exchange rate.

The Middle East, in particular, has experienced armed conflict and hostilities that have directly affected our operations. For example, since the start of calendar 2026, hostilities have disrupted our operations in the region. We experienced conflict-related suspensions of rigs in Iraq and Bahrain and incurred unplanned costs for crisis management, supply chain constraints and cost inflation. Our operations in the region are also exposed to security risks related to these hostilities, including missile or drone attacks, and to disruptions to shipping through the Red Sea and the Strait of Hormuz, which could restrict the movement of personnel, equipment and supplies and increase costs. Because our revenue in the region is concentrated among a small number of national oil company customers, continued or escalating hostilities could have a material adverse effect on our business, financial condition and results of operations.

In addition, our operations in Europe, Africa and parts of the Middle East, where we have a shorter operating history, present obstacles including a less familiar geopolitical landscape, customers with whom we have less established relationships, pressure from local governments to direct business to nationalized companies, unfamiliar operating conditions and a distinct regulatory environment. Changes in local laws or their interpretation could affect the profitability of our operations or our ability to continue operating in certain areas, and local laws may require us to operate through entities with local ownership or joint ventures in which we have limited control or only a minority interest. We may not always be able to structure our operations to conform to local law on terms we find acceptable.

The future occurrence of one or more international events arising from the types of risks described above could have a material adverse impact on our business, financial condition and results of operations.

FINANCIAL RISKS

Covenants in our debt agreements restrict our ability to engage in certain activities.

Our current debt agreements pertaining to certain long-term unsecured debt and our unsecured Amended and Restated Credit Agreement (the "Amended Credit Facility") contain, and our future financing arrangements likely will contain, various covenants that may in certain instances restrict our ability to, among other things, incur, assume or guarantee additional indebtedness, incur liens, sell or otherwise dispose of all or substantially all of our assets, enter into new lines of business, and merge or consolidate. In addition, the Amended Credit Facility requires us to maintain a funded leverage ratio (as defined therein) of less than or equal to 55.0% and certain priority debt (as defined therein) may not exceed 17.5% of our net worth (as defined therein). Such restrictions may limit our ability to successfully execute our business plans, which may have adverse consequences on our operations.

We may be required to record impairment charges with respect to our drilling rigs and other assets.

We evaluate our drilling rigs and other assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Lower utilization and dayrates adversely affect our revenues and profitability. Prolonged periods of low utilization and dayrates may result in the recognition of impairment charges if future cash flow estimates, based upon information available to management at the time, indicate that the carrying value of an asset group may not be recoverable. Drilling rigs in our fleet may become impaired in the future if oil and gas prices decline or remain low for a prolonged period of time or if market conditions deteriorate or if we restructure our drilling fleet. For example, during fiscal 2026 we recorded non-cash impairment charges of $740.3 million, including charges related to our Saudi Arabia T-Series asset group and associated assets.

Any impairment could have a material adverse effect on our consolidated financial statements. The facts and circumstances included in our impairment assessments are described in Part II, Item 8—Financial Statements and Supplementary Data.

A downgrade in our credit ratings could negatively impact our cost of and ability to access capital.

Our ability to access capital markets or to otherwise obtain sufficient financing is enhanced by our senior unsecured debt ratings as provided by major U.S. credit rating agencies. Factors that may impact our credit ratings include debt levels, liquidity, asset quality, cost structure, commodity pricing levels, industry conditions and other considerations. A ratings downgrade could adversely impact our ability in the future to access debt markets, increase the cost of future debt, and potentially require us to post letters of credit for certain obligations.

Our ability to access capital markets could be limited.

From time to time, we may need to access capital markets to obtain financing. Our ability to access capital markets for financing could be limited by oil and gas prices, our existing capital structure, our credit ratings, the state of the economy, the health or market perceptions of the drilling and overall oil and gas industry, sustainability-related regulatory and investor requirements, the liquidity of the capital markets and other factors. Many of the factors that affect our ability to access capital markets are outside of our control. There have been efforts within the investment community (including investment advisors, investment fund managers, sovereign wealth funds, public pension funds, universities and individual investors) to promote the divestment of, or limit investment in, the stock of companies in the oil and gas industry, which, if successful, could limit our ability to access capital markets. See below *"—Public and investor sentiment towards climate change, fossil fuels and other sustainability matters could adversely affect our cost of capital and the price of our common stock."* No assurance can be given that we will be able to access capital markets on terms acceptable to us when required to do so, which could have a material adverse impact on our business, financial condition and results of operations.

Our marketable securities may lose significant value due to credit, market and interest rate risks.

The value of our marketable securities are subject to general credit, liquidity, market and interest rate risks, which may be exacerbated by unusual events, such as global health crises and political instability. A significant loss in value of our investments would negatively impact our debt ratio and financial strength.

We may not be able to generate cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations.

Our ability to make future scheduled payments on or to refinance our debt obligations, including any future debt obligations, depends on our financial position, results of operations and cash flows. We may not be able to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal and interest on our indebtedness. If our cash flows and capital resources are insufficient to fund our debt service obligations, we may be forced to reduce or delay investment decisions and capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness. Furthermore, these alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial position at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. Any failure to make payments of interest and principal on our outstanding indebtedness on a timely basis would be a default (if not waived) and would likely result in a reduction of our credit rating, which could harm our ability to seek additional capital or restructure or refinance our indebtedness.

LEGAL AND REGULATORY RISKS

The physical effects of climate change and a transition to a lower-carbon economy, including reduced demand for oil and natural gas, could have a negative impact on our business.

The physical effects of climate change and a transition to a lower-carbon economy could have a negative impact on our operations, our customers' operations and the overall demand for our customers' products and services. Fuel conservation measures, alternative fuel requirements and increasing consumer demand for alternatives to oil and natural gas could reduce demand for oil and natural gas. Improvements in or new discoveries of alternative energy technologies that increase the use of alternative forms of energy and reduce the demand for oil and natural gas could further reduce demand for oil and natural gas. An increased focus by the public on the reduction of GHG emissions, together with the physical impacts of climate change, could further affect demand for our customers' products. These factors could negatively impact the drilling programs of our customers and, consequently, delay, limit or reduce the services we provide, and could have a material adverse effect on our business, financial condition and results of operations.

Governments have enacted, and may continue to enact, laws and regulations that mandate or provide economic incentives for the development of technologies and sources of energy other than oil and gas, such as wind and solar. Such legislation incentivizes the development, use and investment in these technologies and alternative energy sources and could accelerate the shift away from traditional oil and gas. If these future laws and regulations result in customers reducing their production of oil and gas, they could ultimately have an adverse effect on our business and prospects.

In addition, the projected severe effects of climate change have the potential to directly affect our facilities and operations and those of our customers and suppliers, which could result in more frequent and severe disruptions to our business and those of our customers and suppliers, increased costs to repair damaged facilities or maintain or resume operations, and increased insurance costs. See above, *"—Our drilling and technology related operations are subject to a number of operational risks, including environmental and weather risks, which could expose us to significant losses and damage claims. We are not fully insured against all of these risks and our contractual indemnity provisions may not fully protect us."*

New legislation and regulatory initiatives relating to hydraulic fracturing or other aspects of the oil and gas industry could negatively impact the drilling programs of our customers and, consequently, delay, limit or reduce the services we provide.

Several political and regulatory authorities, governmental bodies, and environmental groups devote resources to campaigns aimed at eradicating hydraulic fracking. We do not engage in any hydraulic fracturing activities. However, it is a common practice in our industry for our customers to recover natural gas and oil from shale and other formations through the use of horizontal drilling combined with hydraulic fracturing. Hydraulic fracturing is the process of creating or expanding cracks, or fractures, in formations using water, sand and other additives pumped under high pressure into the formation. The hydraulic fracturing process is typically regulated by state oil and natural gas commissions. Several states have adopted or are considering adopting regulations that could impose more stringent permitting, public disclosure, waste disposal and/or well construction requirements on oil and gas development, including hydraulic fracturing operations, or otherwise seek to ban fracturing activities altogether. In addition to state laws, some local municipalities have adopted or are considering adopting land use restrictions, such as city ordinances, that may restrict or prohibit the performance of well drilling in general and/or hydraulic fracturing in particular. Members of the U.S. Congress are analyzing, and a number of federal agencies have historically been requested to review, and, under the current or future administrations, may be requested to review again, a variety of environmental issues associated with hydraulic fracturing and the possibility of more stringent regulation. At September 30, 2026, we had approximately 25 rigs placed on federal land and three rigs in federal waters. Any new laws, regulations or permitting requirements regarding hydraulic fracturing could negatively impact the drilling programs of our customers and, consequently, delay, limit or reduce the services we provide. For example, the Environmental Protection Agency has asserted federal regulatory authority pursuant to the federal Safe Drinking Water Act over certain hydraulic fracturing activities involving the use of diesel fuels. Widespread regulation significantly restricting or prohibiting hydraulic fracturing or other drilling activity by our customers could have a material adverse impact on our business, financial condition and results of operations.

Further, we conduct drilling activities in numerous states, including Oklahoma, where seismic activity may occur. In recent years, Oklahoma has experienced an increase in earthquakes. Studies are ongoing, but some parties believe that there is a correlation between hydraulic fracturing related activities and the increased occurrence of seismic activity. As a result, federal and state legislatures and agencies may seek to further regulate, restrict or prohibit hydraulic fracturing activities. Increased regulation and attention given to the hydraulic fracturing process could lead to greater opposition to oil and gas production activities using hydraulic fracturing techniques, operational delays or increased operating and compliance costs in the production of oil and natural gas from shale plays, added difficulty in performing hydraulic fracturing, and potentially a decline in the completion of new oil and gas wells, which could negatively impact the drilling programs of our customers and, consequently, delay, limit or reduce the services we provide.

Our aspirations, goals and initiatives related to sustainability and emissions reduction, and our public statements and disclosures regarding them, expose us to numerous risks.

We have developed, and may continue to develop and set, goals, targets, or other objectives related to sustainability matters, including emissions reduction. Statements related to these goals reflect our current plans and do not constitute a guarantee that they will be achieved. Our ability to achieve these goals is subject to numerous factors and conditions, some of which are outside of our control, including (1) the extent to which our customers' decisions directly impact, relate to, or influence the use of our equipment that creates the emissions we report, (2) the availability and cost of low- or non-carbon-based energy sources and technologies or abatement technologies, (3) evolving regulatory requirements affecting sustainability standards or disclosures, and (4) the availability of suppliers that can meet our sustainability and other standards. Standards for tracking and reporting on sustainability matters, including climate-related matters, have not been harmonized and continue to evolve, including sustainability-related disclosures that may be required of in-scope companies under U.S. state laws such as California’s climate disclosure laws, and our processes and controls may not always comply with them, which could result in significant revisions to our goals or reported progress. Future acquisitions or dispositions may also impact our reporting, process, and progress. We may also face increased scrutiny from investors and other stakeholders, including parties that oppose sustainability initiatives, regarding our sustainability goals, methodologies and timelines, and our practices cannot meet all stakeholder expectations. Our failure or perceived failure to pursue or fulfill our sustainability goals within the timelines we announce, or at all, or to satisfy applicable standards, regulations or reporting requirements, could adversely affect our reputation, our ability to attract or retain employees or customers, and our business, and could expose us to government enforcement actions and private litigation.

Failure to comply with the U.S. Foreign Corrupt Practices Act or foreign anti-bribery legislation could adversely affect our business.

The U.S. Foreign Corrupt Practices Act ("FCPA") and similar anti-bribery laws in other jurisdictions, including the United Kingdom Bribery Act 2010, generally prohibit companies and their intermediaries from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. We operate in many parts of the world that have experienced governmental corruption to some degree and, in certain circumstances, strict compliance with anti-bribery laws may conflict with local customs and practices and impact our business. Although we have programs in place requiring compliance with anti-bribery legislation, any failure to comply with the FCPA or other anti-bribery legislation could subject us to civil and criminal penalties or other sanctions, which could have a material adverse impact on our business, financial condition and results of operations. In addition, investors could negatively view potential violations, inquiries or allegations of misconduct under the FCPA or similar laws, which could adversely affect our reputation and the market for our shares. We could also face fines, sanctions and other penalties from authorities in the relevant foreign jurisdictions, including prohibition of our participating in or curtailment of business operations in those jurisdictions and the seizure of drilling rigs or other assets.

Our business is subject to complex and evolving laws and regulations regarding privacy, data security and consumer protection.

The regulatory environment surrounding data privacy, data security and consumer protection is rapidly evolving and subject to constant change. In the normal course of business, we and our third-party partners collect, process, and store data that is subject to foreign, federal, state, and local laws and regulations, including the EU General Data Protection Regulation ("GDPR"), the California Consumer Privacy Act as amended by the California Privacy Rights Act ("CCPA/CPRA"), and other U.S. sector-specific and comprehensive state privacy and data security laws. Complying with these varying and evolving requirements is increasingly complex, could increase our compliance costs and could require us to change our business practices. Violations of these laws could result in significant penalties, including, under the GDPR, fines of up to the greater of €20.0 million or 4.0% of our total global turnover of the preceding financial year, as well as regulatory investigations, orders to stop processing personal data that could disrupt operations, and litigation. Any violation of these laws or related harm to our reputation could have a material adverse effect on our business, financial condition, reputation, or results of operations and prospects.

Government policies, mandates, and regulations specifically affecting the energy sector and related industries, regulatory policies or matters that affect a variety of businesses, taxation polices, and political instability could adversely affect our financial condition and results of operations.

Energy production and trade flows are subject to government policies, mandates, regulations, and trade agreements, such as taxes, tariffs, duties, price controls, subsidies, incentives, economic sanctions and import and export restrictions. These policies can affect the price of oil and natural gas, cause our customers to change their exploration and production plans and reduce demand for our services, and may restrict our ability to do business in existing and target markets. In addition, many countries, including the United States, control the import and export of certain goods, services and technology, impose related recordkeeping and reporting obligations, and impose economic sanctions that may restrict or prohibit transactions with certain countries, persons and entities. In particular, U.S. sanctions target certain countries that are heavily involved in the petroleum and petrochemical industries, which includes drilling activities.

These laws and regulations are complex and constantly changing, and may be enacted, amended, enforced or interpreted in a manner that materially impacts our operations, including as some governments seek to increase revenue during periods of economic difficulty. Shipments can be delayed or denied import or export for reasons outside our control, which could cause unscheduled operational downtime, and any failure to comply with international trade requirements could result in criminal and civil penalties and sanctions, such as fines, imprisonment, debarment from government contracts, seizure of shipments and loss of import and export privileges. More broadly, changes in monetary, fiscal, environmental, safety, labor and tax policies, acquisition approvals, protection of intellectual property rights, the enforceability of legal agreements and judgments, and adverse tax, administrative agency or judicial outcomes could limit our ability to transact business in certain markets and could adversely affect our business, financial condition and results of operations.

Legal claims and litigation could have a negative impact on our business.

The nature of our business makes us susceptible to legal proceedings and governmental investigations from time to time. We design much of our own equipment and fabricate and upgrade such equipment in facilities that we operate. We also design and develop our own technology. If such equipment or technology fails to perform as expected, or if we fail to maintain or operate the equipment properly, there could be personal injuries, property damage, and environmental contamination, which could result in claims against us. Our ownership and use of proprietary technology and equipment could also result in infringement of intellectual property claims against us. See above "—*Technology disputes and limitations on our ability to protect or enforce our intellectual property rights could negatively impact our costs, revenues, and any competitive advantage we hold.*" The Company also owns and operates a large fleet of motor vehicles, which creates an increased exposure to motor vehicle accidents. Also, we may be subject, and have been subject in the past, to litigation resulting from accidents involving motor vehicles. These lawsuits have resulted, and may result in the future, in the payment of substantial settlements or damages and increases in our insurance costs. In addition, during periods of depressed market conditions we may be subject to an increased risk of our customers, vendors, former employees and others initiating legal proceedings against us. Lawsuits or claims against us could have a material adverse effect on our business, financial condition and results of operations. Any litigation or claims, even if fully indemnified or insured, could negatively impact our reputation among our customers and the public, and make it more difficult for us to compete effectively or obtain adequate insurance in the future.

Additional tax liabilities, limitations on our use of net operating losses and tax credits and/or our significant net deferred tax liability could affect our financial condition, income tax provision, net income, and cash flows.

We are subject to income taxes in the United States and numerous other foreign and state jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes and other tax liabilities. In the ordinary course of our business, there are many transactions and calculations where the ultimate tax determination is uncertain. We are regularly audited by tax authorities. Although we believe our tax estimates are reasonable, the final determination of tax audits and any related litigation could be materially different than what is reflected in income tax provisions and accruals. An audit or litigation could materially affect our financial position, income tax provision, net income, or cash flows in the period or periods challenged. Tax rates in the various jurisdictions in which our subsidiaries are organized and conduct their operations may change significantly as a result of political or economic factors beyond our control. It is also possible that future changes to tax laws (including tax treaties in any of the jurisdictions that we operate in) could impact our ability to realize the tax savings recorded to date. Our ability to benefit from our deferred tax assets depends on us having sufficient future taxable income to utilize our net operating loss and tax credit carryforwards before they expire. In addition, Section 382 of the Internal Revenue Code of 1986, as amended ("Section 382"), generally imposes an annual limitation on the amount of net operating losses and other pre-change tax attributes (such as tax credits) that may be used to offset taxable income by a corporation that has undergone an "ownership change" (as determined under Section 382). An ownership change generally occurs if one or more shareholders (or groups of shareholders) that are each deemed to own at least 5.0% of our stock change their ownership by more than 50 percentage points over their lowest ownership percentage during a rolling three-year period. As of September 30, 2026, we have not experienced an ownership change and, therefore, utilization of our applicable tax attributes was not subject to an annual limitation (except for an immaterial portion thereof that we inherited in connection with an acquisition during 2017). However, if we were to experience ownership changes in the future as a result of subsequent shifts in our stock ownership, our ability to use certain pre-change tax attributes could potentially accelerate or permanently increase our future tax liabilities. Additionally, our future effective tax rates could be adversely affected by changes in tax laws (including tax treaties) or their interpretation. For example, the One Big Beautiful Bill Act signed into law on July 4, 2025, included many provisions such as the permanent extension of certain expiring provisions of the Tax Cuts and Jobs Act, modification to the international tax framework and the restoration of favorable tax treatment for certain business provisions. The legislation has multiple effective dates, with certain provisions effective in fiscal year 2025 and others implemented through fiscal year 2027. Currently, the legislation should not have a material impact on our effective tax rate. In addition, many of the jurisdictions in which we operate have enacted the OECD's Pillar Two global minimum tax rules. In January 2026, the OECD released guidance providing a safe harbor that, if adopted by individual jurisdictions, would generally exempt qualifying U.S.-parented groups from certain Pillar Two top-up taxes under the Income Inclusion Rule and Undertaxed Profits Rule beginning in our fiscal year 2027. However, jurisdictions may continue to impose domestic minimum top-up taxes on our non-U.S. operations, may not adopt the safe harbor consistently or timely, and will continue to require reporting, any of which could increase our tax expense and compliance costs.

Our deferred tax liability associated with property, plant and equipment is significant, which could materially increase the amount of cash income taxes that we pay in the future and, thus, adversely affect our cash flows. Our future capital expenditures, our results of operations and changes in income tax laws could significantly impact the timing of the reversal of our deferred tax liabilities and the timing and amount of our future cash income taxes. While management intends to minimize our income taxes payable in future years to the extent possible, the amount and timing of cash income taxes ultimately paid are based on the aforementioned factors as well as others and are subject to change.

Failure to comply with, or changes to, governmental and environmental laws, including laws and regulations relating to greenhouse gas emissions and climate change, could adversely affect our business.

Many aspects of our operations are subject to various laws and regulations in the jurisdictions where we operate, including those relating to drilling practices and comprehensive and frequently changing laws and regulations relating to the safety and protection of human health and the environment. Environmental laws apply to the oil and gas industry including those regulating air emissions, discharges to water, and the transport, storage, use, treatment, disposal and remediation of, and exposure to, solid and hazardous wastes and materials. These laws can have a material adverse effect on the drilling industry, including our operations, and compliance with such laws may require us to make significant capital expenditures, such as the installation of costly equipment or operational changes, and may affect the resale values or useful lives of our drilling rigs. If we fail to comply with these laws and regulations, we could be exposed to substantial administrative, civil and criminal penalties, delays in permitting or performance of projects and, in some cases, injunctive relief. Violations of environmental laws may also result in liabilities for personal injuries, property and natural resource damage and other costs and claims. In addition, environmental laws and regulations in the United States impose a variety of requirements on "responsible parties" related to the prevention of oil spills and liability for damages from such spills. As an owner and operator of drilling rigs, we may be deemed to be a responsible party under these laws and regulations. Additionally, certain actions by federal, state and local regulators relating to the protection of threatened or endangered species or critical habitats may result in limitations on exploration and production activities, thereby reducing demand for our services.

Additional legislation or regulation and changes to existing legislation and regulation may reasonably be anticipated, and the effect thereof on our operations cannot be predicted. The expansion of the scope of laws or regulations protecting the environment has accelerated in recent years, particularly outside the United States, and we expect this trend to continue. To the extent new laws are enacted or other governmental actions are taken that prohibit or restrict drilling in areas where we operate or impose additional environmental protection requirements that result in increased costs to the oil and gas industry, in general, or the drilling industry, in particular, our business or prospects could be materially adversely affected.

International, national, state, regional and local regulatory bodies have focused on emissions of certain gases, commonly referred to as "greenhouse gases" ("GHGs"), and climate change issues. Legislation and regulations to address GHG emissions have been proposed and may be adopted in the future, including cap-and-trade programs, carbon taxes, GHG reporting and attestation requirements and direct limits on GHG emissions, some of which could require substantial emissions reductions that could be costly and difficult to implement. Recent changes in, and resulting uncertainty around, the United States' approach to climate change and GHG regulation, including its repeated entry into and withdrawal from the Paris Agreement, complicate efforts to prepare for future policy changes, and we cannot predict the timing, extent or effect of any such measures. More aggressive efforts to reduce GHG emissions have occurred and may continue based on the findings set forth in the IPCC Reports, and any such laws and regulations could result in increased compliance costs, reduced returns on investment, or additional operating restrictions. Increasing attention to climate change has also increased the possibility of litigation or investigations against oil and gas companies in connection with their GHG emissions, which could result in court orders compelling a reduction of GHG emissions or requiring mitigation of the effects of climate change. If we are unable to recover or pass through a significant level of our costs or are required to change our practices to comply with climate change-related requirements, it could have a material adverse effect on our business, financial condition and results of operations.

RISKS RELATED TO OUR COMMON STOCK AND CORPORATE STRUCTURE

The choice of forum provision in our bylaws could limit our stockholders' ability to obtain what such stockholders' believe to be a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our amended and restated bylaws provide that unless we consent to the selection of an alternative forum (a) the Court of Chancery of the State of Delaware will be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, stockholder, employee or agent to us or our stockholders, (iii) any action asserting a claim against us or any director, officer, stockholder, employee or agent arising out of or relating to any provision of the General Corporation Law of the State of Delaware (the "DGCL"), our certificate of incorporation or our bylaws, or (iv) any action asserting a claim against us or any director, officer, stockholder, employee or agent governed by the internal affairs doctrine of the State of Delaware. If the Court of Chancery of the State of Delaware lacks subject matter jurisdiction over any such action or proceeding, the sole and exclusive forum for such action or proceeding will be another state or federal court located within the State of Delaware; and (b) the sole and exclusive forum for any complaint asserting a cause of action arising under the Securities Act will be the federal district courts of the United States of America. This exclusive forum provision is not intended to apply to claims arising under the Exchange Act. While the Delaware Supreme Court has upheld the validity of similar provisions under the DGCL, there is uncertainty as to whether a court in another state would enforce such a forum selection provision. Our exclusive forum provision does not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders will not be deemed to have waived our compliance with these laws, rules and regulations.

This choice of forum provision may subject a stockholder to increased costs to bring a claim and limit a stockholder's ability to bring a claim in a judicial forum that he, she or it believes to be favorable for disputes with the Company or its directors, officers or other employees or agents, which may discourage such lawsuits. It is possible that a court could find these exclusive forum provisions inapplicable or unenforceable with respect to one or more of the specified types of actions or proceedings, and we may incur additional costs associated with resolving such matters in other jurisdictions, which could materially adversely affect our business, financial condition and results of operations and result in a diversion of the time and resources of our management and Board of Directors.

Public and investor sentiment towards climate change, fossil fuels and other sustainability matters could adversely affect our cost of capital and the price of our common stock.

There have been efforts within the investment community (including by investment advisors, investment fund managers, sovereign wealth funds, public pension funds, universities and individual investors) to promote the divestment of, or limit investment in, the stock of companies in the oil and gas industry. There has also been pressure on lenders and other financial services companies to limit or curtail financing of companies in the oil and gas industry. Because we operate within the oil and gas industry, if these efforts continue or expand, our stock price and our ability to raise capital may be negatively impacted.

Some members of the investment community have increased their focus on sustainability practices and disclosures by public companies, including practices and disclosures related to climate change and sustainability, and heightened governance standards. As a result, we may continue to face pressure regarding our sustainability disclosures and practices. See above "—*Our aspirations, goals and initiatives related to sustainability and emissions reduction, and our public statements and disclosures regarding them, expose us to numerous risks."* Additionally, members of the investment community and ratings agencies may screen companies such as ours for sustainability disclosures and performance before investing in or rating our stock or other securities and many large institutional investors have committed to allocating a percentage of their investment products towards sustainability investments. With respect to any of these investors or ratings agencies, our sustainability disclosures and efforts may not satisfy the investor requirements or their requirements may not be made known to us. If we or our securities are unable to meet the sustainability standards or investment criteria set by these investors and funds, we may lose investors or investors may allocate a portion of their capital away from us, our cost of capital may increase, and our stock price may be negatively impacted. To the extent financial markets view climate change and GHG emissions as a financial risk, this could also negatively impact our cost of or access to capital.

Likewise, others in the investment community (and some regulators) have expressed opposition to certain sustainability initiatives, including by advancing "anti-ESG" policies. This divergence in stakeholder expectations may increase legal and compliance costs, expose us to political or reputational risks, and potentially disrupt relationships with certain stakeholders.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Our cybersecurity program is designed to protect our information and operations from external and internal cyber threats while supporting business resiliency. We employ a risk-based information security process aligned with the National Institute of Standards and Technology (NIST) Cybersecurity Framework to identify, prioritize and mitigate cyber risks.

Risk Management and Governance

Board of Directors

Our Board of Directors (“Board”) and its committees oversee the risk management functions of the Company. Our Audit Committee plays a significant role in oversight of risks, including cybersecurity. At least quarterly, the Audit Committee receives an update on cybersecurity matters from the Company’s Chief Information Security Officer (“CISO”) & Director of AI Strategy. These updates address a broad spectrum of cybersecurity topics including recent developments, evolving technology practices, vulnerability assessments, third-party and independent reviews, the threat environment, technological trends, cybersecurity considerations arising with respect to the Company’s third-party service providers, and other cybersecurity considerations. Our Vice President of Internal Audit also updates the Audit Committee at least quarterly on internal audit matters, including those related to information technology and security. Additionally, the Company’s Cybersecurity Incident Reporting process (described below), provides that potentially significant cybersecurity incidents be promptly reported to the Chairman of the Audit Committee, who will also receive ongoing updates regarding any such incident as appropriate. Cybersecurity incidents determined to be material are reported to the Board of Directors promptly following such determination.

Management

Our CISO has over 20 years of experience in information technology and over six years of experience with global cyber security programs. The CISO reports directly to our Chief Financial Officer, who provides oversight of cybersecurity, risk, mitigation strategies, and governance.

Our CISO oversees an internal cross-functional information technology governance, risk, and compliance team that actively maintains a register of risks and mitigation measures under the umbrella of our enterprise risk management program. Our enterprise risk management program is designed to identify and monitor risks to the Company, assess the Company's risk mitigation plans, and consult on further measures that can be taken to address new and existing risks. Our Enterprise Risk Management Committee, which meets quarterly, is comprised of our executive officers, CISO, Chief Accounting Officer, Vice President of Internal Audit, Corporate Secretary, and Director – Risk Management & Insurance. Our Risk Management and Insurance Department is responsible for the implementation of our enterprise risk management program and maintains a register of risks and initiates reviews and assessments. The Director of Risk Management and Insurance reports to the Audit Committee and full Board on a quarterly basis.

Cybersecurity Program

Our cybersecurity program includes, among other things:

- ongoing monitoring of systems for security threats at a base level
- an internal team that focuses on higher level threats and conducts threat hunting activities
- monitoring of the cyber threat landscape using a variety of sources, including engagement with domestic and international governmental security agencies, and industry groups
- periodic engagement of third parties to test for vulnerabilities in our information technology systems, assess cybersecurity risk levels, and assess our cybersecurity policies and framework
- compliance audits of our information technology processes by our internal audit team, which also monitors the progress of any remediation activities
- employee training to raise awareness of cyber risks and behaviors that increase vulnerabilities
- periodic exercises to test information technology security protocols
- periodic exercises to test information security protocols to enhance crises management readiness and business continuity capabilities
- systems and processes designed to assess, oversee, identify, and reduce the potential impact of a security incident at a third-party vendor, service provider or customer or otherwise implicating the third-party technology and systems we use
- overseeing alignment with customer cybersecurity requirements
- a Cybersecurity Incident Reporting process

Cybersecurity Incident Reporting Process ("CIR Process")

Our CIR Process is a formalized approach following the NIST framework for evaluating cybersecurity incidents and prioritizing response efforts based on established criteria. The key components of the CIR Process include:

- Cybersecurity incident prioritization
- Timelines and communications protocols, including establishing reporting thresholds pursuant to which incidents are escalated within the Company, and, where appropriate, reported promptly to the Cyber Review Committee, the Audit Committee Chairman, the Chief Executive Officer and Chief Financial Officer, and the Board of Directors
- Procedures related to our Cyber Review Committee described below
- A formalized methodology for evaluating the impact of cybersecurity incidents

The Cyber Review Committee ("Cyber Committee") is a sub-committee of our Disclosure Committee comprised of our Chief Accounting Officer; CISO; general counsels; Vice President – Investor Relations; Director – Risk Management & Insurance; and Vice President – Global Security & Administration. Pursuant to the CIR Process, cybersecurity incidents classified as high priority are reported to the Cyber Committee. The Cyber Committee's responsibilities include:

- providing feedback and direction to our information technology teams on incident investigations
- coordinating other departments, consultants, and advisors as needed
- communicating with our executive officer team, Disclosure Committee, independent auditor, and the Chair of the Audit Committee
- initiating the materiality determination methodology and assessing materiality of incidents (quantitative and qualitative)
- based on materiality analysis, making a recommendation to the Chief Executive Officer and Chief Financial Officer that an incident should be deemed material

Material Cybersecurity Risks and Threats

Risks from cybersecurity threats, including any previous cybersecurity incidents, have not materially affected us, including our business strategy, results of operations or financial condition, and we do not believe that such risks are reasonably likely to have such an effect over the long term. While we have not experienced any material cybersecurity threats or incidents, there can be no guarantee that we will not be the subject of future successful attacks, threats or incidents. Additional information on cybersecurity risks we face can be found in Item 1A—Risk Factors of this Report under the heading "*Our business is subject to cybersecurity and information technology system disruption risks*," which should be read in conjunction with the foregoing information.

ITEM 2. PROPERTIES

Drilling Services and Solutions Operations

Our property consists primarily of drilling rigs and ancillary equipment. We own substantially all of the equipment used in our businesses. For further information on the status of our drilling fleet, see Item 1—Business—"Drilling Fleet."

Real Property

We own or lease office and yard space to support our ongoing operations, including field and district offices in the United States and internationally. Additionally, we lease a fabrication and assembly facility in Galena Park, Texas as well as a maintenance and overhaul facility near Tulsa, Oklahoma. We own a manufacturing and office facility in Bad Bentheim, Germany, and lease fabrication and assembly facilities in both Oman and Saudi Arabia.

During the year ended September 30, 2026, we completed the sale of Utica Square, a shopping center comprising approximately 371,000 leasable square feet located in Tulsa, Oklahoma, and included within our "Other" operations. The assets were classified as held-for-sale as September 30, 2025. We received net proceeds of approximately $127.7 million from the sale. After considering the property's net book value and selling costs, the transaction resulted in a $114.8 million gain recognized during the year ended September 30, 2026. The gain on sale is recorded in Other (gain) loss on sale of assets within our Consolidated Statements of Operations.

ITEM 3. LEGAL PROCEEDINGS

See Note 16—Commitments and Contingencies to our Consolidated Financial Statements for information regarding our legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information and Dividends

The principal market on which our common stock is traded is the New York Stock Exchange under the ticker symbol "HP." As of November 12, 2026, there were 298 record holders of our common stock as listed by our transfer agent's records.

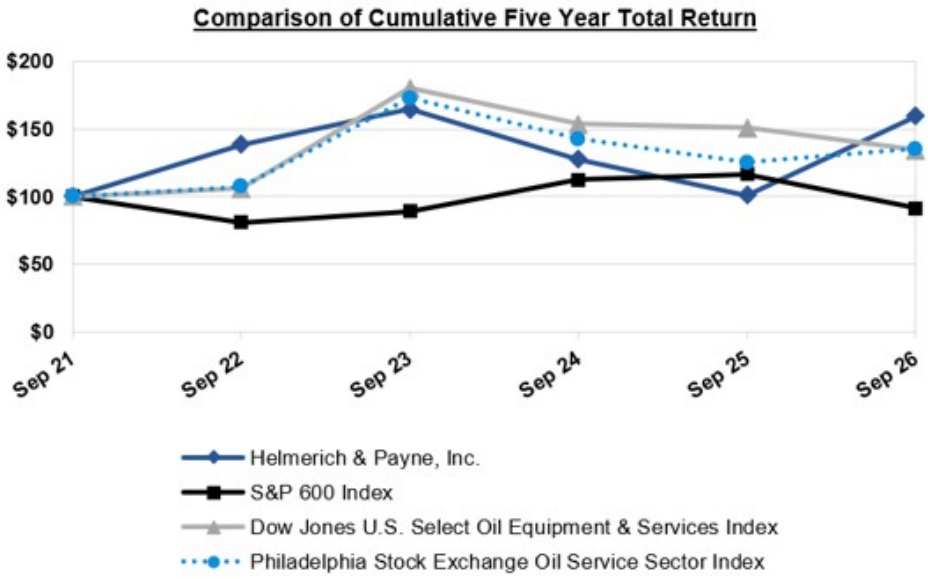
We have paid quarterly cash dividends on our common stock during the past two fiscal years. Payment of future dividends will depend on earnings and other factors and is subject to Board approval.



Performance Graph

The following performance graph reflects the yearly percentage change in our cumulative total stockholder return on common stock as compared with the cumulative total return on the S&P 600 Index, Dow Jones U.S. Select Oil Equipment & Services Index, and Philadelphia Stock Exchange Oil Service Sector Index. All cumulative returns assume an initial investment of $100, the reinvestment of dividends and are calculated on a fiscal year basis ending on September 30 of each year.

	Base Period	Indexed Returns Years Ending				
Company / Index	Sep 2021	Sep 2022	Sep 2023	Sep 2024	Sep 2025	Sep 2026
Helmerich & Payne, Inc.	$ 100.00	$ 139.00	$ 165.00	$ 128.00	$ 101.00	$ 160.00
S&P 600 Index	100.00	81.00	89.00	112.00	117.00	91.00
Dow Jones U.S. Select Oil Equipment & Services Index	100.00	106.00	180.00	154.00	151.00	134.00
Philadelphia Stock Exchange Oil Service Sector Index	100.00	108.00	173.00	143.00	125.00	136.00



The above performance graph and related information shall not be deemed to be “soliciting material” or to be “filed” with the SEC or subject to Regulation 14A or 14C under the Exchange Act or to the liabilities of Section 18 of the Exchange Act, and shall not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent we specifically incorporate it by reference into such a filing.

ITEM 6. (RESERVED)

Reserved.

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with Part I of this Form 10-K as well as the Consolidated Financial Statements and related notes thereto included in Part II, Item 8— Financial Statements and Supplementary Data of this Form 10-K. Our future operating results may be affected by various trends and factors which are beyond our control. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of a variety of risks and uncertainties, including those described in this Form 10-K under “Cautionary Note regarding Forward-Looking Statements” and Item 1A—Risk Factors. Accordingly, past results and trends should not be used by investors to anticipate future results or trends.

Executive Summary

H&P through its operating subsidiaries provides performance-driven drilling solutions and technologies that are intended to make hydrocarbon recovery safer and more economical for oil and gas exploration and production companies. As of September 30, 2026, our drilling rig fleet included a total of 301 drilling rigs. Our reportable operating business segments consist of the North America Solutions segment with 202 rigs, the International Solutions segment with 95 rigs, and the Offshore Solutions segment with four offshore platform rigs as of September 30, 2026. Although the Offshore Solutions segment has a fleet of platform rigs, the majority of its revenues are derived from asset-light management contracts. At the close of fiscal year 2026, we had 221 active contracted rigs, compared to 208 contracted rigs at September 30, 2025. Our long-term strategy remains focused on innovation, technology, safety, operational excellence and reliability. As we move forward, we believe that our rig fleet, technology offerings, financial strength, contract backlog and strong customer and employee base position us very well to respond to continued cyclical and often times volatile market conditions and to take advantage of future opportunities.

Market Outlook

Our revenues are primarily derived from the capital expenditures of companies involved in the exploration, development and production of crude oil and natural gas (“E&Ps”). Generally, the level of capital expenditures is dictated by capital budgets set to achieve respective production targets in relation to current and expected future prices of crude oil and natural gas, which are determined by various supply and demand factors and have historically been volatile. Furthermore, E&Ps have become more fiscally disciplined in their level of capital expenditures relative to commodity price fluctuations and the amount of free cash flows that can be returned to their shareholders, which has resulted in less volatility within the oilfield service businesses, including our operations.

In early calendar year 2025, the announcements by the U.S. government regarding the implementation of global tariffs and OPEC+ regarding the planned increase of crude oil supply created continued uncertainty in the global energy markets. More recently, heightened geopolitical tensions in the Middle East including ongoing armed conflict and instability affecting key energy-producing and transit regions, such as the Strait of Hormuz, and ongoing political developments in Venezuela have perpetuated and elevated the level of uncertainty further. These developments have contributed to increased volatility in global crude oil and natural gas prices and have led market participants to reassess supply risks, transportation reliability, and near-term capital allocation decisions. Although the ongoing conflict and instability in the Middle East have affected certain aspects of the Company's operations, these events continue to create uncertainty across global energy markets, and the extent of any future impact on the Company's operations or financial results remains difficult to predict. However, we believe the indirect effects of sustained geopolitical uncertainty, including the potential for supply-side disruptions and transportation risks may support increased drilling activity levels as operators seek to mitigate these potential disruptions and respond to elevated or more volatile commodity prices. Both crude oil and natural gas prices are volatile and global economic conditions heavily influence activity levels in the United States. In our international operations, commodity pricing has an impact on potential activity by our customers; however, other variables have a heavy influence on those activity levels, including disparate country budgets and the need to fund other commitments in certain areas.

During the first quarter of fiscal year 2026, we received notifications to resume operations on multiple T-series rigs in Saudi Arabia, with reactivations initially scheduled for the first half of calendar year 2026. As of September 30, 2026, we had reactivated five additional rigs. During the fourth quarter of fiscal year 2026, we also received suspension notices for three of our older-generation T-Series rigs. Customer demand has continued to favor newer-generation equipment, while the substantial capital investment required to upgrade certain T-Series rigs has reduced the economic viability of redeploying portions of the fleet. Subsequent to September 30, 2026, we received additional suspension notices related to our T-Series fleet, reflecting continued uncertainty regarding customer demand and the future utilization of these rigs.

Recent Developments

Saudi Arabia Long Lived Asset Impairment

During the fourth quarter of fiscal 2026, the Company identified indicators of impairment related to its Saudi Arabia T-Series asset group, including associated equipment, parts and supplies, and customer relationship intangible assets. These indicators were driven primarily by a revised outlook for operations in Saudi Arabia following the failure to achieve certain commercial milestones during the fourth quarter and the receipt of three additional suspension notices for T-Series rigs. The outlook was further affected by ongoing geopolitical uncertainty in the Middle East, which has adversely impacted drilling activity and increased uncertainty surrounding future rig mobilizations. In addition, customer demand has continued to favor newer-generation equipment, while the substantial capital investment required to upgrade certain T-Series rigs has reduced the economic viability of redeploying portions of the fleet. As a result of these factors, the Company reduced planned capital expenditures for the fleet and continued efforts to dispose of selected idle rigs. Collectively, these developments lowered expectations regarding the return to service of currently idle T-Series rigs and reduced the forecasted cash flows associated with the asset group. Accordingly, the Company performed a recoverability test and fair value analysis of the related long-lived and intangible assets.

These developments resulted in a non-cash impairment charge of $529.4 million, consisting of $456.8 million related to property, plant and equipment, $58.0 million related to customer relationship intangible assets and, $14.6 million related to inventory. The impairment charge relates to the 30-rig Saudi T-Series asset group and excludes the Company's Saudi FlexRigs, Oman operations, and six T-Series Saudi rigs classified as held-for-sale. While the impairment charge did not require a current-period cash outlay, the revised outlook reflects lower expected future cash flows from these operations, which continue to incur maintenance expenditures and costs associated with suspended rigs.

Subsequent to September 30, 2026, we received additional suspension notices related to our T-Series fleet, reflecting continued uncertainty regarding customer demand and the future utilization of these rigs.

Latin American Assets Classified as Held-for-Sale

As part of the Company’s ongoing enterprise optimization efforts, we continually assess our cost structure, core operating regions, and assets, and are in the process of refining our key operating geographies. During fiscal year 2026, the Company committed to a plan to sell all of the assets of certain legal entities within its Latin American operations. The assets and related liabilities met the criteria for classification as held for sale and were reclassified accordingly as of September 30, 2026. Upon classification as held for sale, the disposal group was measured at the lower of its carrying amount or estimated fair value less costs to sell, based on the estimated proceeds expected to be received upon sale of the assets. As a result, we recognized an impairment charge of $53.3 million during the year ended September 30, 2026. The Company is actively pursuing a sale of the assets and expects the transaction to be completed within one year.

Sale of Utica Square Property

During the year ended September 30, 2026, we completed the sale of Utica Square, a shopping center comprising approximately 371,000 leasable square feet located in Tulsa, Oklahoma, and included within our "Other" operations. The assets were classified as held-for-sale as September 30, 2025. We received net proceeds of approximately $127.7 million from the sale. After considering the property's net book value and selling costs, the transaction resulted in a $114.8 million gain recognized during the year ended September 30, 2026. The gain on sale is recorded in Other (gain) loss on sale of assets within our Consolidated Statements of Operations.

Repayment of Term Loan

During the fiscal year ended September 30, 2026, the Company repaid $200.0 million of the outstanding balance on the Term Loan Credit Agreement. As a result of the repayments, no amounts remain outstanding under the Term Loan Credit Agreement.

Contract Backlog

Drilling contract backlog is the expected future dayrate revenue from executed contracts. We calculate backlog as the total expected revenue from fixed-term contracts and do not include any anticipated contract renewals or expected performance bonuses as part of its calculation. Additionally, contracts that currently contain month-to-month terms are represented in our backlog as one month of unsatisfied performance obligations. In addition to depicting the total expected revenue from fixed-term contracts, backlog is indicative of expected future cash flow that the Company expects to receive regardless of whether a customer honors the fixed-term contract to expiration of a contract or decides to terminate the contract early and pay an early termination payment. In the event of an early termination payment, the timing of the recognition of backlog and the total amount of revenue may differ; however, the overall associated gross margin is preserved. As such, management finds backlog a useful metric for future planning and budgeting, whereas investors consider it useful in estimating future revenue and cash flows of the Company. As of September 30, 2026 and 2025, our contract drilling backlog was $8.8 billion and $7.0 billion, respectively. The increase was primarily due to an extension of two offshore operations and maintenance contracts, consisting of (i) a five-year contract extension with multiple renewal options and (ii) a separate four-year contract extension with multiple renewal options. Approximately 22.4% of the September 30, 2026 total backlog is reasonably expected to be fulfilled through fiscal year 2027, as a majority of our contracts are long term.

The following table sets forth the total backlog by reportable segment as of September 30, 2026 and 2025:

(in billions)	September 30, 2026	September 30, 2025
Firm contracts[1]:		
North America Solutions	$ 0.8	$ 0.5
International Solutions	3.6	3.4
Offshore Solutions	1.3	0.9
	5.7	4.8
Optional contract extension periods:		
International Solutions[2]	0.9	0.7
Offshore Solutions	2.2	1.5
	3.1	2.2
Total backlog	$ 8.8	$ 7.0

(1) These amounts do not include anticipated contract renewals or expected performance bonuses.

(2) Included in the International Solutions reportable segment's optional backlog balance at September 30, 2026 is $0.5 billion of expected revenue from certain contracts in Saudi Arabia that have been temporarily suspended and are expected to gradually resume operations. The information presented in the table above reflects the fact that we expect these contracts to be extended for a period of time at least equal to the expected suspension period.

The early termination of a contract or suspension of operations may result in a rig being idle for an extended period of time, which could adversely affect our financial condition, results of operations and cash flows. Some of our revenue agreements contain provisions for optional early termination or suspension without any associated early termination fees. Early terminations could cause the actual amount of revenue earned to significantly vary from the backlog reported. See Item 1A—"Risk Factors—*Our current backlog of drilling services and solutions revenue may decline and may not be fully realized as fixed-term contracts and, in certain instances, these contracts can be terminated without an early termination payment or suspended without standby or force majeure compensation.*" within this Form 10-K.

Results of Operations for the Fiscal Years Ended September 30, 2026 and 2025

The Company's results presented for the fiscal year ended September 30, 2025 reflect a full 365 days of legacy H&P operations and 258 days of KCA Deutag operations, as the Acquisition was completed on January 16, 2025.

Consolidated Results of Operations

Net Income (Loss) Attributable to Helmerich & Payne Inc. We recorded a loss of $569.5 million ($5.72 loss per diluted share) for the fiscal year ended September 30, 2026 compared to a loss of $163.7 million ($1.66 loss per diluted share) for the fiscal year ended September 30, 2025.

Operating Revenue Consolidated operating revenues were $4.1 billion and $3.7 billion during fiscal years 2026 and 2025, respectively. The increase was primarily driven by the completion of the Acquisition, resulting in an additional $382.1 million of revenue during the fiscal year ended September 30, 2026, partially offset by the lower activity levels in the North America Solutions segment.

Direct Operating Expenses, Excluding Depreciation and Amortization Direct operating expenses in fiscal year 2026 were $2.8 billion, compared to direct operating expenses of $2.5 billion in fiscal year 2025. The increase was primarily driven by the completion of the Acquisition, resulting in an additional $333.5 million in direct operating expenses during the fiscal year ended September 30, 2026, partially offset by the lower activity levels in the North America Solutions segment.

Other Operating Expenses Other operating expenses were $121.5 million and $56.0 million during fiscal years 2026 and 2025, respectively. The increase was primarily driven by the completion of the Acquisition, resulting in an additional $67.9 million of costs associated with BENTEC™'s manufacturing and engineering operations, partially offset by a decrease in our real estate operating expenses by $2.4 million.

Depreciation and Amortization Depreciation and amortization expense increased to $723.4 million in fiscal year 2026 compared to $625.1 million in fiscal year 2025. The increase was primarily driven by the completion of the Acquisition, resulting in an additional $104.0 million in depreciation and amortization expense during the fiscal year ended September 30, 2026, partially offset by a reduction in depreciable asset balances associated with the reclassification of assets to held-for-sale in the North America Solutions segment during the first quarter of fiscal year 2026.

Research and Development Expense Research and development expense was $25.6 million and $34.1 million in fiscal years 2026 and 2025, respectively. The decrease was primarily driven by reduced project activity as a result of the Company’s cost-reduction initiatives implemented during the fiscal year ended 2026.

Selling, General and Administrative Expense Selling, general and administrative expenses decreased to $275.8 million in the fiscal year ended September 30, 2026 compared to $287.1 million in the fiscal year ended September 30, 2025. The decrease was primarily driven by the absence of a $10.0 million credit loss expense related to a long-term note receivable recognized in fiscal year 2025 within our North America Solutions operating segment, together with the benefits of the Company's cost-reduction initiatives implemented during fiscal year 2026. These reductions are partially offset by higher selling, general and administrative expenses within our International Solutions and Offshore Solutions operating segments, including the impact of expanded operations following the completion of the Acquisition.

Acquisition Transaction and Integrations Costs Acquisition transaction and integration costs associated with the Acquisition were $9.7 million in fiscal year 2026 compared to $54.7 million in fiscal year 2025. The decrease was primarily driven by the completion of the Acquisition in fiscal year 2025, which resulted in higher transaction-related legal, advisory and valuation costs in the prior year. Costs incurred during fiscal 2026 primarily consisted of first-year Sarbanes-Oxley Section 404 compliance activities and other integration-related activities associated with the Acquisition. See Note 3—Business Combination for additional details related to the Acquisition.

Asset Impairment Charges During the fiscal year ended September 30, 2026, we recorded a non-cash impairment charge of $740.3 million, consisting primarily of $529.4 million impairment related to our Saudi Arabia T-Series asset group and associated assets. The remaining charges were primarily attributable to certain assets reclassified as held-for-sale within our North America Solutions, International Solutions and Offshore Solutions segments, resulting in impairment charges of $97.9 million, $104.3 million, and $4.4 million, respectively. As a result of the held-for-sale classification, these assets were measured at the lower of carrying value or fair value less costs to sell, and impairment charges were recognized to reduce their carrying values accordingly. For additional information regarding these impairment charges and our held-for-sale assets, refer to Note 4—Property, Plant and Equipment. During the fiscal year ended September 30, 2025, we recorded asset impairment charges of $194.0 million primarily driven by a non-cash goodwill impairment charge of $192.2 million associated with our International Solutions and BENTEC™ reporting units. See Note 6—Goodwill and Intangible Assets for additional details related to the impairment charges.

Restructuring Charges As part of the Company's ongoing enterprise optimization initiatives, management continues to evaluate its cost structure, operating footprint, and workforce requirements to improve operating efficiency and align resources with strategic priorities. Restructuring charges were $6.1 million in fiscal year 2026 compared to $12.1 million in fiscal year 2025. The restructuring charges were primarily driven by one-time severance payments to involuntarily terminated employees. See Note 18—Restructuring Charges and Voluntary Separation Program Charges for additional details related to the restructuring charges.

Voluntary Separation Program Charges During the fiscal year ended September 30, 2026, we initiated a voluntary separation program for U.S. based employees designed to optimize our cost structure and improve operating efficiency. As a result, we incurred costs of approximately $8.5 million, primarily related to one-time severance payments and employee separation benefits associated with employees who elected to participate in the program. See Note 18—Restructuring Charges and Voluntary Separation Program Charges for additional details related to the voluntary separation program.

Gain on Involuntary Conversion During fiscal year 2026, we recorded a gain of $13.6 million related to the involuntary conversion of one of our super-spec rigs in the North America Solutions segment. For additional information regarding the involuntary conversion, refer to Note 4—Property, Plant and Equipment.

Other Gain (Loss) on Sale of Assets Other gain (loss) on sale of assets was $119.6 million and $(1.5) million during fiscal years 2026 and 2025, respectively. The gain recognized in fiscal year 2026 consisted primarily of a $114.8 million gain on the sale of Utica Square. For additional information regarding the sale of Utica Square, refer to Note 4—Property, Plant and Equipment.

Interest and Dividend Income Interest and dividend income was $9.9 million and $35.2 million in fiscal years 2026 and 2025, respectively. The decrease was primarily due to an $18.9 million decrease in interest income from a less favorable interest rate environment during fiscal year 2026.

Interest Expense Interest expense totaled $99.3 million in fiscal year 2026 and $107.8 million in fiscal year 2025. The decrease was mainly attributable to lower debt balances due to the repayment of our unsecured Term Loan Credit Agreement. For additional information regarding debt agreements, refer to Note 7—Debt to the Consolidated Financial Statements.

Gain (Loss) on Investment Securities During the fiscal year ended September 30, 2026, we recognized an aggregate gain of $0.9 million on investment securities. The aggregate gain primarily consisted of a $7.5 million gain on our investment in Tamboran partially offset by a $5.0 million loss on a geothermal equity security and a $0.4 million loss on other equity securities, each resulting from changes in the fair value of the investments, and a $1.2 million loss associated with a blue-chip swap transaction. During the fiscal year ended September 30, 2025, we recognized an aggregate loss of $22.4 million on investment securities. The aggregate loss consisted primarily of a $29.6 million loss on our investment in Galileo, due to an allowance for credit loss on the convertible note, driven by heightened liquidity constraints and changes in governance, which led management to conclude that the fair value of the investment was not recoverable and a $12.4 million loss on our sale of equity investments in ADNOC Drilling. The loss was partially offset by $15.4 million and $5.0 million of gains on various geothermal equity investments and our investment in Tamboran, respectively, due to changes in the fair value of the investments.

Income Taxes We had an income tax expense of $25.9 million in fiscal year 2026 compared to an income tax expense of $85.8 million in fiscal year 2025. The effective income tax rate was (4.9)% in fiscal year 2026 compared to (115.8)% in fiscal year 2025. The effective income tax rate differed from the U.S. federal statutory rate of 21.0% for the fiscal year 2026 primarily due to changes in valuation allowances, nondeductible permanent items, and state and foreign income taxes. In fiscal year 2025, the effective income tax rate differed from the U.S. federal statutory rate of 21.0% primarily due to the impairment of nondeductible goodwill, other nondeductible permanent items, and state and foreign income taxes.

Deferred income taxes are provided for temporary differences between the financial reporting basis and the tax basis of our assets and liabilities. Recoverability of any tax assets are evaluated and necessary allowances are provided. The carrying value of the net deferred tax assets are based on management's judgments using certain estimates and assumptions that we will be able to generate sufficient future taxable income in certain tax jurisdictions to realize the benefits of such assets. If these estimates and related assumptions change in the future, additional valuation allowances may be recorded against the deferred tax assets resulting in additional income tax expense in the future. See Note 8—Income Taxes to our Consolidated Financial Statements for additional income tax disclosures.

North America Solutions

The following table presents certain information with respect to our North America Solutions reportable segment:

(in thousands, except operating statistics)	2026	2025	% Change
Operating revenues	$ 2,241,153	$ 2,362,327	(5.1)%
Direct operating expenses	1,287,054	1,322,697	(2.7)
Depreciation and amortization	334,372	351,813	(5.0)
Research and development	25,811	34,140	(24.4)
Selling, general and administrative expense	51,978	68,047	(23.6)
Acquisition transaction and integration costs	—	41	(100.0)
Asset impairment charges	97,922	1,507	6,397.8
Restructuring charges	806	4,121	(80.4)
Voluntary separation program charges	4,693	—	—
Segment operating income	$ 438,517	$ 579,961	(24.4)
Financial Data and Other Operating Statistics[1]:			
Direct margin (Non-GAAP)[2]	$ 954,099	$ 1,039,630	(8.2)
Revenue days[3]	52,130	53,523	(2.6)
Average active rigs[4]	143	147	(2.7)
Number of active rigs at the end of period[5]	151	144	4.9
Number of available rigs at the end of period	202	223	(9.4)
Reimbursements of "out-of-pocket" expenses	$ 263,027	$ 290,591	(9.5)

(1) These operating metrics and financial data, including average active rigs, are provided to allow investors to analyze the various components of segment financial results in terms of activity, utilization and other key results. Management uses these metrics to analyze historical segment financial results and as the key inputs for forecasting and budgeting segment financial results

(2) Direct margin, which is considered a non-GAAP metric, is defined as operating revenues less direct operating expenses and is included as a supplemental disclosure because we believe it is useful in assessing and understanding our current operational performance, especially in making comparisons over time. See — Non-GAAP Measurements below for a reconciliation of segment operating income (loss) to direct margin.

(3) Defined as the number of contractual days for owned and leased rigs with recognized revenue during the period.

(4) Active rigs generate revenue for the Company; accordingly, 'average active rigs' represents the average number of rigs generating revenue during the applicable time period. This metric is calculated by dividing revenue days by total days in the applicable period (i.e., 365 days).

(5) Defined as the number of rigs generating revenue at the applicable end date of the time period.

Operating Revenues Operating revenues were $2.2 billion and $2.4 billion during fiscal years 2026 and 2025, respectively. This decrease in operating revenues was primarily due to lower activity levels and per revenue day pricing levels.

Direct Operating Expenses Direct operating expenses decreased by $35.6 million during fiscal year 2026 from $1.3 billion in fiscal year 2025. The decrease was primarily due to lower activity levels as discussed above.

Depreciation and Amortization Depreciation and amortization expense decreased to $334.4 million during the fiscal year ended September 30, 2026 as compared to $351.8 million during the fiscal year ended September 30, 2025. The decrease was primarily driven by a reduction in depreciable asset balances associated with the reclassification of assets to held-for-sale during the first quarter of fiscal year 2026. For additional information regarding our held-for-sale assets, refer to Note 4—Property, Plant and Equipment.

Research and Development Expense Research and development expense decreased to $25.8 million during fiscal year 2026 as compared to $34.1 million during fiscal year 2025. The decrease was primarily driven by reductions in project scope implemented as part of the Company's cost-reduction initiatives in fiscal year 2026.

Selling, General and Administrative Expenses Selling, general and administrative expenses decreased to $52.0 million during fiscal year 2026 as compared to $68.0 million during fiscal year 2025. The decrease was primarily driven by the absence of a $10.0 million credit loss expense related to a long-term note receivable recognized in fiscal year 2025, and the Company's cost-reduction initiatives implemented during fiscal year 2026.

Asset Impairment Charges During fiscal year 2026, we recorded a non-cash impairment charge of $97.9 million primarily related to certain assets that were reclassified as held-for-sale. The reclassification required us to adjust the assets to their fair value, which corresponded to their scrap value, resulting in the impairment. For additional information regarding our held-for-sale assets, refer to Note 4—Property, Plant and Equipment.

Voluntary Separation Program Charges During the fiscal year ended September 30, 2026, we initiated a voluntary separation program for U.S. based employees designed to optimize our cost structure and improve operating efficiency. As a result, we incurred costs of approximately $4.7 million, primarily related to one-time severance payments and employee separation benefits associated with employees who elected to participate in the program.

International Solutions

The following table presents certain information with respect to our International Solutions reportable segment:

(in thousands, except operating statistics)	2026	2025	% Change
Operating revenues	$ 990,965	$ 802,426	23.5 %
Direct operating expenses	878,006	718,822	22.1
Depreciation and amortization	305,266	218,817	39.5
Selling, general and administrative expense	27,597	17,232	60.1
Acquisition transaction and integration costs	2,116	1,585	33.5
Asset impairment charges	633,653	132,720	377.4
Restructuring charges	2,147	4,945	(56.6)
Segment operating loss	$ (857,820)	$ (291,695)	(194.1)
Financial Data and Other Operating Statistics[1]:			
Direct margin (Non-GAAP)[2]	$ 112,959	$ 83,604	35.1
Revenue days[3]	22,933	19,985	14.8
Average active rigs[4]	63	55	14.5
Number of active rigs at the end of period[5]	67	61	9.8
Number of available rigs at the end of period	95	137	(30.7)
Reimbursements of "out-of-pocket" expenses	$ 50,446	$ 34,045	48.2

(1) These operating metrics and financial data, including average active rigs, are provided to allow investors to analyze the various components of segment financial results in terms of activity, utilization and other key results. Management uses these metrics to analyze historical segment financial results and as the key inputs for forecasting and budgeting segment financial results

(2) Direct margin, which is considered a non-GAAP metric, is defined as operating revenues less direct operating expenses and is included as a supplemental disclosure because we believe it is useful in assessing and understanding our current operational performance, especially in making comparisons over time. See — Non-GAAP Measurements below for a reconciliation of segment operating income (loss) to direct margin.

(3) Defined as the number of contractual days for owned and leased rigs with recognized revenue during the period.

(4) Active rigs generate revenue for the Company; accordingly, 'average active rigs' represents the average number of rigs generating revenue during the applicable time period. This metric is calculated by dividing revenue days by total days in the applicable period (i.e., 365 days).

(5) Defined as the number of rigs generating revenue at the applicable end date of the time period.

Operating Revenues Operating revenues were $991.0 million and $802.4 million in the fiscal years ended September 30, 2026 and 2025, respectively. The $188.5 million increase in operating revenue was primarily due to higher activity levels in our Middle East and Latin American operations, which increased revenues by $130.3 million and $55.0 million, respectively.

Operating Expenses Direct operating expenses increased to $878.0 million during the fiscal year ended September 30, 2026 as compared to $718.8 million during the fiscal year ended September 30, 2025. This increase was primarily driven by higher operating activity levels from our Middle East and Latin America operations, as discussed above, which increased direct operating expenses of $98.4 million and $58.7 million, respectively.

Depreciation and Amortization Expense Depreciation expense increased to $305.3 million during the fiscal year ended September 30, 2026 compared to $218.8 million during the fiscal year ended September 30, 2025. The increase was primarily driven by the completion of the Acquisition, resulting in an additional $78.9 million in depreciation and amortization expense during the fiscal year ended September 30, 2026.

Selling, General and Administrative Expense Selling, general and administrative expenses increased to $27.6 million during the fiscal year ended September 30, 2026 compared to $17.2 million during the fiscal year ended September 30, 2025. The increase is primarily driven by the completion of the Acquisition, resulting in an additional $9.0 million in selling, general and administrative expenses during the fiscal year ended September 30, 2026.

Asset Impairment Charges During the fiscal year ended September 30, 2026, we recorded a non-cash impairment charge of $633.7 million primarily consisting of $529.4 million related to our Saudi Arabia T-Series asset group and associated assets, and $104.3 million related to certain assets reclassified as held-for-sale. As a result of the held-for-sale classification, these assets were measured at the lower of carrying value or fair value less costs to sell, and impairment charges were recognized to reduce their carrying values accordingly. The held-for-sale impairment charge consisted of $51.0 million related to rigs and associated assets and $53.3 million related to the Latin America disposal group. For additional information regarding these impairment charges and our held-for-sale assets, refer to Note 4—Property, Plant and Equipment. During the fiscal year ended September 30, 2025, we recorded a non-cash goodwill impairment charge of $132.7 million associated with our International Solutions reporting unit. See Note 6—Goodwill and Intangible Assets for additional details related to the goodwill impairment charges.

Offshore Solutions

The following table presents certain information with respect to our Offshore Solutions reportable segment:

(in thousands, except operating statistics)	2026	2025	% Change
Operating revenues	$ 720,680	$ 520,394	38.5 %
Direct operating expenses	599,083	430,135	39.3
Depreciation and amortization	44,152	32,461	36.0
Selling, general and administrative expense	7,541	4,619	63.3
Acquisition transaction and integration costs	1,001	2,971	(66.3)
Asset impairment charge	4,420	—	—
Restructuring charges	58	266	(78.2)
Voluntary separation program charges	445	—	—
Segment operating income	$ 63,980	$ 49,942	28.1
Financial Data and Other Operating Statistics[1]:			
Direct margin (Non-GAAP)[2]	$ 121,597	$ 90,259	34.7
Revenue days[3]	1,095	1,095	—
Average active rigs[4]	3	3	—
Number of active rigs at the end of period[5]	3	3	—
Number of available rigs at the end of period	4	7	(42.9)
Reimbursements of "out-of-pocket" expenses	$ 127,471	$ 86,662	47.1

(1) These operating metrics and financial data, including average active rigs, are provided to allow investors to analyze the various components of segment financial results in terms of activity, utilization and other key results. Management uses these metrics to analyze historical segment financial results and as the key inputs for forecasting and budgeting segment financial results

(2) Direct margin, which is considered a non-GAAP metric, is defined as operating revenues less direct operating expenses and is included as a supplemental disclosure because we believe it is useful in assessing and understanding our current operational performance, especially in making comparisons over time. See — Non-GAAP Measurements below for a reconciliation of segment operating income (loss) to direct margin.

(3) Defined as the number of contractual days for owned and leased rigs with recognized revenue during the period.

(4) Active rigs generate revenue for the Company; accordingly, 'average active rigs' represents the average number of rigs generating revenue during the applicable time period. This metric is calculated by dividing revenue days by total days in the applicable period (i.e., 365 days).

(5) Defined as the number of rigs generating revenue at the applicable end date of the time period.

Operating Revenues Operating revenues were $720.7 million and $520.4 million in the fiscal years ended September 30, 2026 and 2025, respectively. The increase in operating revenue was primarily driven by an additional $187.2 million in revenue generated from expanded operations following the January 16, 2025 closing of the Acquisition.

Direct Operating Expenses Direct operating expenses increased to $599.1 million during the fiscal year ended September 30, 2026 as compared to $430.1 million during the fiscal year ended September 30, 2025. The increase was primarily driven by the completion of the Acquisition, resulting in an additional $159.9 million in direct operating expenses during the fiscal year ended September 30, 2026.

Depreciation and Amortization Expense Depreciation expense increased to $44.2 million during the fiscal year ended September 30, 2026 compared to $32.5 million during the fiscal year ended September 30, 2025. The increase was primarily driven by the completion of the Acquisition, resulting in an additional $13.7 million in depreciation and amortization expense during the fiscal year ended September 30, 2026.

Asset Impairment Charges During the fiscal year ended September 30, 2026, we recorded a non-cash impairment charge of $4.4 million primarily related to certain assets that were reclassified as held-for-sale. The reclassification required us to adjust the assets to their fair value, which corresponded to their scrap value, resulting in the impairment. For additional information regarding our held-for-sale assets, refer to Note 4—Property, Plant and Equipment.

Other Operations

Results of our other operations, excluding corporate selling, general and administrative costs, and corporate depreciation, are as follows:

(in thousands)	2026	2025	% Change
Operating revenues	$ 237,197	$ 152,870	55.2 %
Direct operating expenses	222,454	181,634	22.5
Depreciation and amortization	7,743	5,711	35.6
Research and development	309	353	(12.5)
Selling, general and administrative expense	11,937	7,086	68.5
Acquisition transaction and integration costs	306	1,517	(79.8)
Asset impairment charges	4,285	59,466	(92.8)
Restructuring charges	542	500	8.4
Voluntary separation program charges	35	—	—
Operating loss	$ (10,414)	$ (103,397)	89.9

Operating Revenues We continue to use our Captive insurance companies to insure the deductibles for our domestic workers' compensation, general liability, automobile liability claims programs, and medical stop-loss program and to insure the deductibles from the Company's international casualty and rig property programs. Operating revenues of $237.2 million and $152.9 million during the fiscal years ended September 30, 2026 and 2025, respectively, primarily consisted of $77.3 million and $69.2 million, respectively, in intercompany premium revenues recorded by the Captives. These revenues were eliminated upon consolidation. During the fiscal year ended September 30, 2026 and 2025, operating revenues also consisted of $154.4 million and $72.3 million from BENTEC™ manufacturing and engineering operations, of which, $29.2 million and $17.1 million is related to intercompany revenues that were eliminated upon consolidation, respectively.

Direct Operating Expenses Direct operating expenses of $222.5 million and $181.6 million during the fiscal years ended September 30, 2026 and 2025, respectively, primarily consisted of $(2.9) million and $39.9 million, respectively, in adjustments to accruals for estimated losses allocated to the Captives, rig and casualty insurance premiums of $48.2 million and $42.7 million, respectively, and medical stop loss expenses of $18.2 million and $20.7 million, respectively. The change to accruals for estimated losses is primarily due to actuarial valuation adjustments by our third-party actuary. During the fiscal years ended September 30, 2026 and 2025, direct operating expenses also consisted of $119.2 million and $68.4 million from BENTEC™ manufacturing and engineering operations of which, $14.1 million and $17.1 million is related to intercompany expenses that were eliminated upon consolidation, respectively.

Asset Impairment Charges During the fiscal year ended September 30, 2026, we recorded a non-cash impairment charge of $3.0 million associated with previously capitalized in-process research and development expenses that were determined to have no alternative future use. During the fiscal year ended September 30, 2025, we recorded a non-cash goodwill impairment charge of $59.5 million associated with our BENTEC™ reporting unit. See Note 6—Goodwill and Intangible Assets for additional details related to the goodwill impairment charges.

Results of Operations for the Fiscal Years Ended September 30, 2025 and 2024

A discussion of our results of operations for the fiscal year ended September 30, 2025 compared to the fiscal year ended September 30, 2024 is included in Part II, Item 7— "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended September 30, 2025, filed with the SEC on November 21, 2025.

Liquidity and Capital Resources

Sources of Liquidity

Our sources of available liquidity include existing cash balances on hand, cash flows from operations, and availability under the Amended Credit Facility. Our liquidity requirements include meeting ongoing working capital needs, funding our capital expenditure projects, paying dividends declared, and repaying our outstanding indebtedness. Historically, we have financed operations primarily through internally generated cash flows. During periods when internally generated cash flows are not sufficient to meet liquidity needs, we may utilize cash on hand, borrow from available credit sources, access capital markets or sell our investments. Likewise, if we are generating excess cash flows or have cash balances on hand beyond our near-term needs, we may return cash to shareholders through dividends or share repurchases, or we may invest in highly rated short-term money market and debt securities. These investments can include U.S. Treasury securities, U.S. Agency issued debt securities, highly rated corporate bonds and commercial paper, certificates of deposit and money market funds. However, in some international locations we may make short-term investments that are less conservative, as equivalent highly rated investments are unavailable.

We may seek to access the debt and equity capital markets from time to time to raise additional capital, increase liquidity as necessary, fund our additional purchases, exchange or redeem senior notes, or repay any amounts under the Amended Credit Facility. Our ability to access the debt and equity capital markets depends on a number of factors, including our credit rating, market and industry conditions and market perceptions of our industry, general economic conditions, our revenue backlog and our capital expenditure commitments.

In the future, we may redeem, purchase, exchange or otherwise acquire certain of our outstanding debt through redemptions, exchanges for other debt, in open market purchases, privately negotiated transactions or otherwise. Such calls, repurchases, exchanges or redemptions, if any, may be material and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors.

Cash Flows

Our cash flows fluctuate depending on a number of factors, including, among others, the number of our drilling rigs under contract, the revenue we receive under those contracts, the efficiency with which we operate our drilling rigs, the timing of collections on outstanding accounts receivable, the timing of payments to our vendors for operating costs, and capital expenditures. As our revenues increase, net working capital is typically a use of capital, while conversely, as our revenues decrease, operating net working capital is typically a source of capital.

Net working capital (defined as current assets less current liabilities) was $850.6 million and $650.6 million as of September 30, 2026 and September 30, 2025, respectively.

As of September 30, 2026 and 2025, we had cash and cash equivalents of $195.8 million and $196.8 million and short-term investments of $54.6 million and $21.5 million, respectively. Our cash flows for the fiscal years ended September 30, 2026, 2025 and 2024 are presented below:

	Year Ended September 30,		
(in thousands)	2026	2025	2024
Net cash provided by (used in):			
Operating activities	$ 491,936	$ 542,950	$ 684,663
Investing activities	(123,126)	(1,925,342)	(458,748)
Financing activities	(334,099)	66,661	986,507
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(5,450)	12,971	—
Net increase (decrease) in cash and cash equivalents and restricted cash	$ 29,261	$ (1,302,760)	$ 1,212,422

Operating Activities

Cash flows provided by operating activities were approximately $491.9 million, $543.0 million, and $684.7 million for the fiscal year ended September 30, 2026, 2025, and 2024 respectively. The change in cash provided by operating activities between fiscal years 2026 and 2025 is primarily driven by lower operating results and unfavorable changes in operating assets and liabilities. The decrease in cash provided by operating activities between fiscal years 2025 and 2024 was primarily driven by start-up costs associated with our commencement of our operations in Saudi Arabia and acquisition transaction costs associated with the Acquisition. Net cash flows related to changes in operating assets and liabilities, including working capital and certain noncurrent operating balances, were uses of cash of $139.8 million, $79.8 million and $38.4 million as of September 30, 2026, 2025 and 2024, respectively.

Investing Activities

Capital Expenditures Our capital expenditures were $286.7 million, $426.4 million and $495.1 million in fiscal years 2026, 2025 and 2024, respectively. The decrease in capital expenditures is driven by lower equipment overhauls and certain long-term projects. Our fiscal year 2027 capital spending is currently estimated to be between $320.0 million and $360.0 million. This estimate includes normal capital maintenance requirements, planned rig-related equipment upgrades and reactivation-related capital across the global fleet of operating drilling rigs.

Net Purchases and Sales of Short-Term Investments Our net purchases of short-term investments during fiscal year 2026 were $34.7 million compared to net sales of $261.3 million and $3.5 million in fiscal years 2025 and 2024, respectively. During the fiscal year ended September 30, 2026, the increase in net purchases activity is primarily driven by our ongoing liquidity management. During the fiscal year ended September 30, 2025, the increase in net sales activity was driven by $193.3 million of net proceeds received from the liquidation of shares in ADNOC Drilling and our ongoing liquidity management. During the fiscal year ended September 30, 2024, we entered into a Blue Chip Swap transaction, which resulted in the repatriation of $13.8 million of net cash to the U.S., with the remaining net change attributable to our ongoing liquidity management.

Net Purchases and Sales of Long-Term Investments Our net purchases of long-term investments during fiscal year 2026 were $2.7 million compared to net sales of $28.7 million in fiscal year 2025, and net purchases of $9.1 million in fiscal year 2024. During the year ended September 30, 2025, the activity was primarily driven by $27.1 million and $4.9 million of proceeds received from the liquidation of one of our equity security investments and one of our debt security investments, respectively. During the fiscal year ended September 30, 2024, the activity was driven by $9.1 million in purchases of investments in various debt and equity securities.

Payment for the Acquisition of Business, Net of Cash Received During fiscal year ended September 30, 2025, H&P completed the Acquisition by paying approximately $2.0 billion in cash. This included acquiring $199.4 million in cash and cash equivalents, resulting in a net cash payment of $1.8 billion. For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination.

Insurance Proceeds from Involuntary Conversion In April 2026, an incident involving a rig operating in Texas resulted in a fire that caused significant damage to the asset. The major components were destroyed beyond repair and considered a total loss. The Company maintains insurance coverage for this asset and has initiated a claim with its insurance carrier. During the fiscal year ended September 30, 2026, the Company reached an agreement with the insurer, for a partial settlement of $25.0 million and collected the related insurance proceeds.

Sale of Assets Our proceeds from asset sales totaled $49.1 million, $45.8 million and $46.4 million in fiscal year 2026, 2025 and 2024, respectively. Variability in proceeds between periods was primarily attributable to changes in drilling activity levels, which influence the amount of customer reimbursements received for lost or damaged drill pipe and other drilling equipment.

Proceeds from Sale of Real Estate Assets During the fiscal year ended September 30, 2026 we completed the sale of Utica Square, which resulted in net proceeds of approximately $127.7 million. For additional information regarding the sale of Utica Square, refer to Note 4—Property, Plant and Equipment.

Financing Activities

Dividends We paid dividends of $1.00 per share during the fiscal year 2026. Comparatively, we paid dividends of $1.00 and $1.68 per share in 2025 and 2024, respectively. Total dividends paid were $101.5 million, $100.7 million and $168.5 million in fiscal years 2026, 2025 and 2024, respectively.

Debt Issuance Proceeds and Costs On January 16, 2025, we received $400.0 million of proceeds from the Term Loan Credit Agreement. On September 17, 2024, we issued $1.2 billion net aggregate principal amount of senior notes. Debt issuance costs paid in fiscal year 2024 were $22.9 million, of which $9.6 million relates to the senior notes and $13.3 million relates to other financing arrangements. For additional information regarding debt agreements, refer to Note 7—Debt to the Consolidated Financial Statements.

Debt Payments During the fiscal years ended September 30, 2026 and 2025, the Company repaid $200.0 million of outstanding borrowings under the Term Loan Credit Agreement in each period. In addition, during the fiscal year ended September 30, 2026, the Company repaid an aggregate of $6.9 million under its 2024 and 2023 Oman facilities, compared with aggregate repayments of $5.1 million during the year ended September 30, 2025. Repayments under the Oman facilities are reflected within Other in cash flows from financing activities of the Consolidated Statements of Cash Flows. For additional information regarding debt agreements, refer to Note 7—Debt to the Consolidated Financial Statements.

Repurchase of Shares The Company has an evergreen authorization from the Board of Directors for the repurchase of up to four million common shares in any calendar year. The repurchases may be made using our cash and cash equivalents or other available sources. During the fiscal year ended September 30, 2024, we repurchased 1.4 million common shares at an aggregate cost of $51.6 million, including excise tax of $0.3 million. Excluding the excise tax, the cash paid for share repurchases was $51.3 million.

Senior Notes Issued in Fiscal Year 2024

On September 17, 2024, we completed a private offering of $1.25 billion aggregate principal amount of senior notes, comprised of the following tranches (collectively, the “Notes”): $350.0 million aggregate principal amount of 4.65% senior notes due 2027 issued at a price equal to 99.958% of their face value, $350.0 million aggregate principal amount of 4.85% senior notes due 2029 issued at a price equal to 99.883% of their face value and $550.0 million aggregate principal amount of 5.50% senior notes due 2034 issued at a price equal to 99.670% of their face value. Interest on the Notes is payable semi-annually on June 1 and December 1 of each year, commencing on June 1, 2025.

On January 16, 2025, H&P completed the Acquisition, and the Company used the net proceeds of the Notes, together with the proceeds of its term loan credit agreement (discussed below) and cash on hand, to finance the purchase price for the Acquisition, to repay or redeem certain of KCA Deutag’s outstanding indebtedness, and to pay related fees and expenses. For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination.

In connection with the issuance of the Notes, the Company also entered into a registration rights agreement, dated as of September 17, 2024 (the "Registration Rights Agreement"), with the initial purchasers of the Notes named therein. Under the Registration Rights Agreement, the Company agreed, among other things, to use commercially reasonable efforts to file with the SEC, and cause to be declared effective, a registration statement with respect to an offer to exchange each series of the Notes for freely tradable notes (“Registered Notes”) having terms identical in all material respects to each such series of Notes (the “Registered Exchange Offer”). Accordingly, on May 15, 2025, the Company filed a registration statement on Form S-4 with the SEC, which was declared effective on May 28, 2025. On May 28, 2025, the Company launched the Registered Exchange Offer, which expired on July 10, 2025. Substantially all of the Notes were tendered and exchanged for Registered Notes in the Exchange Offer.

The indenture governing the Notes contains certain covenants that, among other things, limit the ability of the Company and its subsidiaries to incur certain liens; engage in sale and lease-back transactions; and consolidate, merge or transfer all or substantially all of the assets of the Company. The indenture governing the Notes also contains customary events of default with respect to the Notes.

Senior Notes Issued in Fiscal Year 2021

On September 29, 2021, we issued $550.0 million aggregate principal amount of the 2.90% senior notes due 2031 (the "2031 Notes") in an offering to persons reasonably believed to be qualified institutional buyers in the United States pursuant to Rule 144A under the Securities Act as amended (the "Securities Act") and to certain non-U.S. persons in transactions outside the United States pursuant to Regulation S under the Securities Act. Interest on the 2031 Notes is payable semi-annually on March 29 and September 29 of each year, commencing on March 29, 2022.

In June 2022, we settled a registered exchange offer (the “2022 Registered Exchange Offer”) to exchange the 2031 Notes for new, SEC-registered notes that are substantially identical to the terms of the 2031 Notes, except that the offer and issuance of the new notes have been registered under the Securities Act and certain transfer restrictions, registration rights and additional interest provisions relating to the 2031 Notes do not apply to the new notes. All of the 2031 Notes were exchanged in the 2022 Registered Exchange Offer.

The indenture governing the 2031 Notes contains certain covenants that, among other things and subject to certain exceptions, limit the ability of the Company and its subsidiaries to incur certain liens; engage in sale and lease-back transactions; and consolidate, merge or transfer all or substantially all of the assets of the Company. The indenture governing the 2031 Notes also contains customary events of default with respect to the 2031 Notes.

Term Loan Credit Agreement

On August 14, 2024, the Company entered into an unsecured term loan credit agreement (the "Term Loan Credit Agreement"), among the Company, Morgan Stanley Senior Funding, Inc. (“MSSF”), as administrative agent, and the other lenders party thereto. On the Closing Date, the Company drew an aggregate principal amount of $400.0 million under the Term Loan Credit Agreement for purposes of financing the Acquisition. The Term Loan Credit Agreement matures at the two-year anniversary of the funding of the term loan unless earlier terminated pursuant to the terms of the Term Loan Credit Agreement. On January 16, 2025, H&P completed the Acquisition, and the Company used the proceeds from the Term Loan Credit Agreement, together with the net proceeds from the Notes, and cash on hand, to finance the purchase price for the Acquisition, to repay or redeem certain of KCA Deutag's outstanding indebtedness, and to pay related fees and expenses. For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination. During the fiscal year ended September 30, 2026, the Company repaid $200.0 million of the outstanding balance on the Term Loan Credit Agreement. As a result of the repayments, no amounts remain outstanding under the Term Loan Credit Agreement.

The benchmark rate was the Secured Overnight Financing Rate ("SOFR"). We could elect to borrow at either an adjusted SOFR rate or an adjusted base rate, plus an applicable margin. The adjusted SOFR rate was the forward-looking term rate based on SOFR for the applicable tenor of one, three, or six months, plus 0.10% per annum. The adjusted base rate was a fluctuating rate per annum equal to the highest of (i) the administrative agent's prime rate, (ii) the federal funds effective rate plus 0.50%, or (iii) the one-month adjusted SOFR rate plus 1.0%. We also paid a commitment fee on the unused balance of the facility. Borrowing spreads as well as commitment fees were determined based on the debt rating for senior unsecured debt of the Company, as determined by Moody’s and Standard & Poor’s. The applicable margin for SOFR borrowings and adjusted base rate borrowings ranged from 1.0% to 1.625% per annum and zero to 0.625% per annum, respectively. Commitment fees for both rates ranged from 0.10% to 0.250% per annum. The weighted average variable interest rate on borrowings outstanding under the Term Loan Credit Agreement during the year ended September 30, 2026, prior to repayment in full, was 5.329%.

2024 Oman Facility

The 2024 Oman Facility provides for term loan borrowings of $45.5 million, which was originally fully drawn, but subsequently reduced by quarterly debt repayments. These secured bank loans are wholly denominated in Omani rial. The original principal value of these borrowings in Omani rial was OMR 17.6 million. The commitments under the 2024 Oman Facility mature December 31, 2034.

During the fiscal year ended September 30, 2025, our 2024 Oman Facility was amended to bear interest payable quarterly at a fixed rate of 6.00% per annum for two years and thereafter, at a rate that is the higher of (x) 5.00% and (y) the reference rate specified in the 2024 Oman Facility plus 1.75%. During the fiscal year ended September 30, 2026, the Company repaid $3.4 million of the outstanding balance on the facility. Of the $39.7 million borrowings outstanding at September 30, 2026, a total of $3.4 million is payable within one year.

There is an annual financial covenant in the 2024 Oman Facility that requires KCAD Energy to maintain a debt service coverage ratio of at least 1.20:1.00. The 2024 Oman Facility and related agreements contain additional terms, conditions, restrictions and covenants that we believe are usual and customary in secured debt arrangements for companies of similar size and credit quality.

2023 Oman Facility

The 2023 Oman Facility provides for term loan borrowings of $45.6 million, which was originally fully drawn, but subsequently reduced by quarterly debt repayments. These secured bank loans are wholly denominated in Omani rial. The original principal value of these borrowings in Omani rial is OMR 17.6 million. The commitments under the 2023 Oman Facility mature December 31, 2033.

During the fiscal year ended September 30, 2025, our 2023 Oman Facility was amended to bear interest payable quarterly at a fixed rate of 6.00% per annum for two years and thereafter, at a rate that is the higher of (x) 5.00% and (y) the reference rate specified in the 2023 Oman Facility plus 1.75%. During the fiscal year ended September 30, 2026, the Company repaid $3.4 million of the outstanding balance on the facility. Of the $36.4 million borrowings outstanding at September 30, 2026, a total of $3.4 million is payable within one year.

There is an annual financial covenant in the 2023 Oman Facility that requires KCAD Energy to maintain a debt service coverage ratio of at least 1.20:1.00. The 2023 Oman Facility and related agreements contain additional terms, conditions, restrictions and covenants that we believe are usual and customary in secured debt arrangements for companies of similar size and credit quality.

Amended Credit Facility

On August 14, 2024, the Company entered into an Amended and Restated Credit Agreement (the "Amended Credit Facility") with the lenders party thereto (the "Revolving Credit Agreement Lenders"), the issuing lenders party thereto and Wells Fargo ("Wells Fargo") as administrative agent, swingline lender and issuing lender, which amended and restated the Credit Agreement, dated as of November 13, 2018 (as amended through Amendment No. 2 to the Credit Agreement dated as of March 8, 2022, the “Existing Credit Agreement”), among the Company, the lenders party thereto and Wells Fargo, as administrative agent, swingline lender and issuing lender.

Under the terms of the Amended Credit Facility, the Company may obtain unsecured revolving loans in an aggregate principal amount not to exceed $950.0 million outstanding at any time. $775.0 million of the revolving commitments under the Amended Credit Facility expire on November 12, 2028 and $175.0 million of the revolving commitments mature on November 10, 2027 (the “Stated Maturity Date”), but the Company may request two one-year extensions of the Stated Maturity Date, subject to satisfaction of certain conditions. Commitments under the Amended Credit Facility may be increased by up to $100.0 million, subject to the agreement of the Company and new or existing Revolving Credit Agreement Lenders.

The proceeds of the loans made under the Amended Credit Facility may be used by the Company for (i) working capital and other general corporate purposes, (ii) for the payment of fees and expenses related to the entering into of the Amended Credit Facility and the other credit documents and (iii) for the refinancing of the extensions of credit under the Existing Credit Agreement.

The benchmark rate is the SOFR. We can elect to borrow at either an adjusted SOFR rate or an adjusted base rate, plus an applicable margin. The adjusted SOFR rate is the forward-looking term rate based on SOFR for the applicable tenor of one, three, or six months, plus 0.10% per annum. The adjusted base rate is a fluctuating rate per annum equal to the highest of (i) the administrative agent's prime rate, (ii) the federal funds effective rate plus 0.50%, or (iii) the one-month adjusted SOFR rate plus 1.0%. We also pay a commitment fee on the unused balance of the facility. Borrowing spreads as well as commitment fees are determined based on the debt rating for senior unsecured debt of the Company, as determined by Moody’s and Standard & Poor’s. The applicable margin for SOFR borrowings and adjusted base rate borrowings ranges from 0.875% to 1.500% per annum and zero to 0.50% per annum, respectively. Commitment fees for both rates range from 0.075% to 0.200% per annum. Based on the unsecured debt rating of the Company on September 30, 2026, the spread over SOFR would have been 1.250% had borrowings been outstanding under the Amended Credit Facility and commitment fees would have been 0.150%. There is a financial covenant in the Amended Credit Facility that requires us to maintain a total funded debt to total capitalization ratio of less than or equal to 55.0%. The Amended Credit Facility contains additional terms, conditions, restrictions and covenants that we believe are usual and customary in unsecured debt arrangements for companies of similar size and credit quality, including a limitation that priority debt (as defined in the credit agreement) may not exceed 17.5% of the net worth of the Company. As of September 30, 2026, there were no borrowings or letters of credit outstanding, leaving $950.0 million available to borrow under the Amended Credit Facility.

As of September 30, 2026, we had $420.0 million in uncommitted bilateral credit facilities, for the purpose of obtaining the issuance of international letters of credit, bank guarantees, and performance bonds. Of the $420.0 million, $248.0 million was outstanding as of September 30, 2026.

The applicable agreements for all unsecured debt contain additional terms, conditions and restrictions that we believe are usual and customary in unsecured debt arrangements for companies that are similar in size and credit quality.

At September 30, 2026, we were in compliance with all debt covenants.

Future Cash Requirements

Our operating cash requirements, scheduled debt repayments, interest payments, any declared dividends, and estimated capital expenditures for fiscal year 2027 are expected to be funded through current cash and cash to be provided from operating activities. However, there can be no assurance that we will continue to generate cash flows at current levels. If needed, we may decide to obtain additional funding from our $950.0 million Amended Credit Facility. Our indebtedness under our unsecured senior notes totaled $1.8 billion at September 30, 2026 and comprised of the following maturities: $350.0 million due December 2027, $350.0 million due December 2029, $550.0 million due September 2031, and $550.0 million due December 2034. Our indebtedness under our secured term loan credit agreements totaled $76.0 million at September 30, 2026, of which $6.9 million is due within one year, and the remaining balance is required to be paid on a quarterly basis through the respective maturity dates of December 2033 and December 2034.

As of September 30, 2026, we had a $465.5 million deferred tax liability on our Consolidated Balance Sheets, primarily related to temporary differences between the financial and income tax basis of property, plant and equipment. Our capital expenditures over the last several years have been subject to accelerated depreciation methods (including bonus depreciation) available under the Internal Revenue Code of 1986, as amended, enabling us to defer a portion of cash tax payments to future years. Future levels of capital expenditures and results of operations will determine the timing and amount of future cash tax payments. We expect to be able to meet any such obligations utilizing cash and investments on hand, as well as cash generated from ongoing operations.

As of September 30, 2026, we have recorded approximately $15.1 million of unrecognized tax benefits, interest, and penalties. We cannot predict with certainty if we will achieve ultimate resolution of any additional uncertain tax positions associated with our U.S. and international operations resulting in any additional material increases or decreases of our unrecognized tax benefits for the next twelve months.

Material Commitments

Our contractual obligations as of September 30, 2026 are summarized in the table below:

		Obligations due by fiscal year					
(in thousands)	Total	2027	2028	2029	2030	2031	Thereafter
Long-term debt	1,876,021	6,859	356,859	8,577	360,862	561,432	581,432
Interest[1]	420,821	83,898	70,176	66,994	52,240	48,640	98,873
Operating leases[2]	143,113	29,112	19,992	15,219	12,615	11,297	54,878
Purchase obligations[3]	166,959	166,959	—	—	—	—	—
Total contractual obligations	$ 2,606,914	$ 286,828	$ 447,027	$ 90,790	$ 425,717	$ 621,369	$ 735,183

(1) Interest on fixed-rate unsecured senior notes and variable-rate secured term loan credit agreements were estimated based on principal maturities. See Note 7—Debt to our Consolidated Financial Statements.

(2) See Note 5—Leases to our Consolidated Financial Statements.

(3) See Note 16—Commitments and Contingencies to our Consolidated Financial Statements.

Critical Accounting Policies and Estimates

Accounting policies that we consider significant are summarized in Note 2—Summary of Significant Accounting Policies, Related Risks and Uncertainties to our Consolidated Financial Statements included in Part II, Item 8—"Financial Statements and Supplementary Data" of this Form 10-K. The preparation of our financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets, liabilities, revenues and expenses and related disclosures of contingent assets and liabilities. Estimates are based on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are evaluated on an ongoing basis. Actual results may differ from these estimates under different assumptions or conditions. The following is a discussion of the critical accounting policies and estimates used in our financial statements.

Fair Value Estimates in Business Combination Accounting

In addition to the critical accounting policies and estimates previously disclosed, due to the Acquisition, we also consider estimates used in applying the acquisition method of accounting in accordance with ASC Topic 805, *Business Combinations*, to be part of our critical accounting policies and estimates due to the high degree of judgment and complexity in its application. The acquisition method of accounting involves the allocation of the purchase price to the estimated fair values of the assets acquired and liabilities assumed. This allocation process involves the use of estimates and assumptions made in connection with estimating the fair value of assets acquired and liabilities assumed including cash flows expected to be derived from the use of the asset, the timing of such cash flows, the remaining useful life of assets, estimated asset replacement costs, and applicable discount rates. Acquisition accounting allows for up to one year to obtain the information necessary to finalize the fair value of all assets acquired and liabilities assumed at January 16, 2025. During September 2025, we finalized the allocation of the purchase price. Refer to Note 3—Business Combination to the accompanying Consolidated Financial Statements for additional information about accounting for the Acquisition.

Property, Plant and Equipment

Property, plant and equipment, including renewals and betterments, are capitalized at cost, while maintenance and repairs are expensed as incurred. We account for the depreciation of property, plant and equipment using the straight-line method over the estimated useful lives of the assets considering the estimated salvage value of the property, plant and equipment. Both the estimated useful lives and salvage values require the use of management estimates. Assets held-for-sale are reported at the lower of the carrying amount or fair value less estimated costs to sell. Our estimate of fair value represents our best estimate based on industry trends and reference to market transactions and is subject to variability. Certain events, such as unforeseen changes in operations, technology or market conditions, could materially affect our estimates and assumptions related to depreciation or result in abandonments. Except for the property, plant and equipment acquired in connection with the Acquisition, there were no significant changes to the determinations of useful lives or salvage values during the fiscal years presented in this Form 10-K. Upon retirement or other disposal of fixed assets, the cost and related accumulated depreciation are removed from the respective accounts and any gains or losses are recorded in the results of operations.

Impairment of Long-lived Assets, Goodwill and Other Intangible Assets

Management assesses the potential impairment of our long-lived assets and finite-lived intangibles whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Changes that could prompt such an assessment may include equipment obsolescence, changes in the market demand, periods of relatively low rig utilization, declining revenue per day, declining cash margin per day, completion of specific contracts, change in technology and/or overall changes in general market conditions. If a review of the long-lived assets and finite-lived intangibles indicates that the carrying value of certain of these assets or asset groups is more than the estimated undiscounted future cash flows, an impairment charge is made, as required, to adjust the carrying value to the estimated fair value. Cash flows are estimated by management considering factors such as prospective market demand, recent changes in rig technology and its effect on each rig's marketability, any cash investment required to make a rig marketable, suitability of rig size and makeup to existing platforms, and competitive dynamics including utilization. The fair value of drilling rigs is determined based upon either an income approach using estimated discounted future cash flows, a market approach considering factors such as recent market sales of rigs of other companies and our own sales of rigs, appraisals and other factors, a cost approach utilizing new reproduction costs adjusted for the asset age and condition, and/or a combination of multiple approaches. The use of different assumptions could increase or decrease the estimated fair value of assets and could therefore affect any impairment measurement.

During the fourth quarter of fiscal 2026, the Company identified indicators of impairment related to its Saudi Arabia T-Series asset group, including associated equipment, parts and supplies, and customer relationship intangible assets. These indicators were driven primarily by a revised outlook for operations in Saudi Arabia following the failure to achieve certain commercial milestones during the fourth quarter and the receipt of three additional suspension notices for T-Series rigs. The outlook was further affected by ongoing geopolitical uncertainty in the Middle East, which has adversely impacted drilling activity and increased uncertainty surrounding future rig mobilizations. In addition, customer demand has continued to favor newer-generation equipment, while the substantial capital investment required to upgrade certain T-Series rigs has reduced the economic viability of redeploying portions of the fleet. As a result of these factors, the Company reduced planned capital expenditures for the fleet and continued efforts to dispose of selected idle rigs. Collectively, these developments lowered expectations regarding the return to service of currently idle T-Series rigs and reduced the forecasted cash flows associated with the asset group. Accordingly, the Company performed a recoverability test and fair value analysis of the related long-lived and intangible assets.

We estimated the fair value of the asset group using an income approach based on discounted future cash flows. To allocate the resulting fair value among the assets within the group, we applied a cost approach to the rigs and related equipment and adjusted those values to reflect their reduced earning capacity, consistent with the overall fair value indicated by the income approach. We also used an income approach for customer relationships, based on the earnings remaining after operating costs and required returns on the other assets used in the business. The measurements were classified within Level 3 of the fair value hierarchy. See Note 13—Fair Value Measurement of Financial Instruments for additional details. For purposes of the valuation, we used an average remaining economic life of 15 years for existing fixed assets. The adjusted carrying amounts of the assets remaining in use will be depreciated or amortized over their remaining estimated useful lives.

The recoverability test required significant judgment about future drilling activity, contract economics, costs expected to be incurred while rigs are idle, and expenditures required to maintain or reactivate the fleet. Management's revised outlook reflected the impact of additional suspensions, customer requirements, and reduced expected investment levels. Actual results could differ from these estimates and assumptions. Further declines in drilling activity, contract rates, or contract renewals, increases in operating or capital expenditures, or a reduction in the estimated remaining useful lives of the assets could result in additional impairment charges in future periods. The impairment charge recognized during fiscal 2026 does not eliminate the risk of future impairment. The affected long-lived assets, customer relationships and related parts and supplies had an aggregate carrying value of $681.7 million prior to the impairment assessment and $152.3 million following recognition of the impairment charge of $529.4 million during the fiscal year ended 2026.

The fair value analysis utilized an income approach based on a 15-year forecast period and a discount rate of 11.5%. Forecasted revenue increased from $141.2 million in fiscal 2027 to $196.7 million in fiscal 2028 and $229.3 million in fiscal 2029, followed by annual growth of 2.0% through the remainder of the forecast period. The forecast also assumed margin improvement over the initial years of the projection period, including a reduction in annual overhead costs associated with suspended rigs from $7.7 million in fiscal 2027 to $2.3 million in fiscal 2030. In addition, the analysis incorporated estimated rig reactivation costs totalling $6.0 million across fiscal 2028 and fiscal 2029.

The valuation is sensitive to changes in key assumptions, particularly the discount rate. Holding all other assumptions constant, including forecasted cash flows and the separately estimated tax-loss benefit, an increase in the discount rate from 11.5% to 12.5% would decrease the estimated fair value of the asset group by approximately $8.8 million, while a decrease in the discount rate from 11.5% to 10.5% would increase the estimated fair value by approximately $9.6 million. These amounts represent changes in the estimated fair value and do not correspond to dollar-for-dollar changes in the recorded impairment charge.

Refer to Note 4—Property, Plant and Equipment and Note 6—Goodwill and Intangible Assets for additional details regarding the impairment charge of the Saudi Arabia T-Series asset group, related equipment, parts and supplies and customer relationships in fiscal year 2026.

We review goodwill for impairment annually in the fourth fiscal quarter or more frequently if events or changes in circumstances indicate it is more likely than not that the carrying amount of the reporting unit holding such goodwill may exceed its fair value. We initially assess goodwill for impairment based on qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the fair value of one of our reporting units is less than its carrying amount. If further testing is necessary or a quantitative test is elected, we quantitatively compare the fair value of a reporting unit with its carrying amount, including goodwill. If the carrying amount exceeds the fair value, an impairment charge will be recognized in an amount equal to the excess; however, the loss recognized would not exceed the total amount of goodwill allocated to that reporting unit.

During the fiscal year ended September 30, 2025, due primarily to the sustained decline in our share price and market capitalization, we identified indicators of potential impairment of goodwill and performed an interim impairment test and concluded that the International Solutions and BENTEC™ reporting units' carrying value exceeded their respective estimated fair value. In addition to the measurement period adjustments discussed above, we recorded a non-cash goodwill impairment charge of $132.7 million and $59.5 million, respectively, which represented a full impairment of the goodwill allocated to these reporting units during the fiscal year ended September 30, 2025. The estimated fair values of our North America Solutions and Offshore Solutions reporting units as of June 30, 2025 exceeded their respective carrying values by approximately 76.0% and 20.0%, respectively. We estimated the fair value of each reporting unit using a market approach, incorporating significant unobservable, or Level 3, inputs, as defined by the fair value hierarchy. We employed a combination of the guideline public company method and the guideline transactions method, leveraging company comparisons and analyst reports from the energy industry, which supported a range of fair values derived from annualized earnings before interest, income taxes, depreciation and amortization ("EBITDA") multiples between 2.5x and 5.5x for guideline public companies and between 3.4x and 7.6x for guideline transactions. We then derived an estimated fair value of each reporting unit based on an EBITDA multiple at or below the peer-median trading multiple. Our annual review of goodwill during the fourth fiscal quarter of 2026 did not result in any additional impairments.

See Note 6—Goodwill and Intangible Assets for additional discussion of goodwill and intangible assets.

Self-Insurance Accruals

We insure working land rigs and related equipment at values that approximate the current replacement costs on the inception date of the policies. However, we self-insure large deductibles under these policies. We also carry insurance with varying deductibles and coverage limits with respect to stacked rigs, offshore platform rigs, and “named wind storm” risk in the Gulf of America. We self-insure a number of other risks, including loss of earnings and business interruption.

We self-insure a significant portion of expected losses relating to workers’ compensation, general liability, employer’s liability, auto liability, and certain other insurance coverages. Generally, SIRs and deductibles range from $1 million to $10 million per occurrence depending on the coverage and whether a claim occurs outside or inside of the United States. Insurance is purchased over SIRs and deductibles to reduce our exposure to catastrophic events but there can be no assurance that such coverage will apply or be adequate in all circumstances. Estimates are recorded for incurred outstanding liabilities for workers’ compensation and other casualty claims. Retained losses under worker's compensation, general, automobile, and employer's liability policies are estimated and accrued based upon our estimates of the aggregate liability for claims incurred. These estimates are based on adjusters’ estimates, our historical loss experience and statistical methods commonly used within the insurance industry that we believe are reliable.

We also engage a third-party actuary to perform a periodic review of our casualty losses. Nonetheless, insurance estimates include certain assumptions and management judgments regarding the frequency and severity of claims, claim development and settlement practices. Unanticipated changes in these factors may produce materially different amounts of expense that would be reported under these programs. Our wholly-owned captive insurance companies finance a significant portion of the physical damage risk on company-owned drilling rigs as well as casualty SIRs, deductibles, and other risk retentions. An actuary reviews the loss reserves retained by the Company and the Captives on an annual basis.

Revenue Recognition

Drilling services revenues are primarily comprised of daywork drilling contracts for which the related revenues and expenses are recognized as services are performed and collection is reasonably assured. With most drilling contracts, we receive payments contractually designated for the mobilization and demobilization of drilling rigs and other equipment to and from the client’s drill site. Revenue associated with the mobilization and demobilization of our drilling rigs to and from the client’s drill site do not relate to a distinct good or service. These revenues are deferred and recognized ratably over the related contract term that drilling services are provided. The amount of demobilization revenue that we ultimately collect is dependent upon the specific contractual terms, most of which include provisions for reduced or no payment for demobilization when, among other things, the contract is renewed or extended with the same client, or when the rig is subsequently contracted with another client prior to the termination of the current contract. Since revenues associated with demobilization activity are typically variable, at each period end, they are estimated at the most likely amount, and constrained so that it is probable that a significant reversal will not occur. Direct costs incurred for the mobilization, are deferred and recognized on a straight-line basis as the drilling service is provided. While costs incurred to relocate rigs and other drilling equipment to areas in which a contract has not been secured are expensed as incurred.

We also act as a principal for certain reimbursable services and auxiliary equipment provided by us to our clients, for which we incur costs and earn revenues. Many of these costs are variable, or dependent upon the activity that is performed each day under the related contract. Accordingly, reimbursements that we receive for out-of-pocket expenses are recorded as revenues and the out-of-pocket expenses for which they relate are recorded as operating costs during the period to which they relate within the series of distinct time increments. For contracts that are terminated prior to the specified term, early termination payments received by us are recognized as revenues when all contractual requirements are met.

Income Taxes

Deferred income taxes are accounted for under the liability method, which takes into account the differences between the basis of the assets and liabilities for financial reporting purposes and amounts recognized for income tax purposes. Our net deferred tax liability balance at year-end reflects the application of our income tax accounting policies and is based on management's estimates, judgments and assumptions. Included in our net deferred tax liability balance are deferred tax assets that are assessed for realizability. If it is more likely than not that a portion of the deferred tax assets will not be realized in a future period, the deferred tax assets will be reduced by a valuation allowance based on management's estimates.

In addition, we operate in several countries throughout the world and our tax returns filed in those jurisdictions are subject to review and examination by tax authorities within those jurisdictions. We recognize uncertain tax positions we believe have a greater than 50.0% likelihood of being sustained. We cannot predict or provide assurance as to the ultimate outcome of any existing or future assessments.

New Accounting Standards

See Note 2—Summary of Significant Accounting Policies, Related Risks and Uncertainties to our Consolidated Financial Statements for recently adopted accounting standards and new accounting standards not yet adopted.

Non-GAAP Measurements

Direct Margin

Direct margin is considered a non-GAAP metric. We define "Direct margin" as operating revenues less direct operating expenses. Direct margin is included as a supplemental disclosure because we believe it is useful in assessing and understanding our current operational performance, especially in making comparisons over time. Direct margin is not a substitute for financial measures prepared in accordance with U.S. GAAP and should therefore be considered only as supplemental to such U.S. GAAP financial measures.

The following table reconciles direct margin to segment operating income (loss), which we believe is the financial measure calculated and presented in accordance with U.S. GAAP that is most directly comparable to direct margin.

(in thousands)	Year Ended September 30, 2026	Year Ended September 30, 2025
NORTH AMERICA SOLUTIONS		
Segment operating income	$ 438,517	$ 579,961
Add back:		
Depreciation and amortization	334,372	351,813
Research and development	25,811	34,140
Selling, general and administrative expense	51,978	68,047
Acquisition transaction and integration costs	—	41
Asset impairment charges	97,922	1,507
Restructuring charges	806	4,121
Voluntary separation program charges	4,693	—
Direct margin (Non-GAAP)	$ 954,099	$ 1,039,630
INTERNATIONAL SOLUTIONS		
Segment operating loss	$ (857,820)	$ (291,695)
Add back:		
Depreciation and amortization	305,266	218,817
Selling, general and administrative expense	27,597	17,232
Acquisition transaction and integration costs	2,116	1,585
Asset impairment charges	633,653	132,720
Restructuring charges	2,147	4,945
Direct margin (Non-GAAP)	$ 112,959	$ 83,604
OFFSHORE SOLUTIONS		
Segment operating income	$ 63,980	$ 49,942
Add back:		
Depreciation and amortization	44,152	32,461
Selling, general and administrative expense	7,541	4,619
Acquisition transaction and integration costs	1,001	2,971
Asset impairment charges	4,420	—
Restructuring charges	58	266
Voluntary separation program charges	445	—
Direct margin (Non-GAAP)	$ 121,597	$ 90,259

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our financial position is exposed to a variety of risks, including foreign currency exchange rate risk, commodity price risk, credit and capital market risk, interest rate risk and equity price risk.

Foreign Currency Exchange Rate Risk

The Company has a number of subsidiaries that generate revenue and incur expenses in numerous foreign currencies. Changes in foreign currency exchange rates impact the Company's results of operations through changes in the dollar value of foreign currency-denominated operating revenues and expenses. Some of the Company's more significant foreign currency exposures include the British Pound Sterling, Euro, Norwegian Krone, Canadian Dollar, Pakistani Rupee, Colombian Peso and Argentine Peso. We have not entered into any foreign currency forward exchange contracts or other derivative financial instruments to hedge the effects of adverse fluctuations in foreign currency exchange rates. At September 30, 2026, a uniform 10.0% decline in the U.S. dollar relative to each of the currencies in which the Company has foreign currency exposure would result in an decrease in pre-tax loss of approximately $2.6 million.

Commodity Price Risk

The demand for drilling services and solutions is derived from exploration and production companies spending money to explore and develop drilling prospects in search of crude oil and natural gas. Their spending is driven by their cash flow, financial strength, and desires to return excess cash to shareholders, which is affected by trends in crude oil and natural gas commodity prices. Crude oil prices are determined by a number of factors including global supply and demand, the establishment of and compliance with production quotas by oil exporting countries, worldwide economic conditions and geopolitical factors. Crude oil and natural gas prices have historically been volatile and very difficult to predict with any degree of certainty. While current energy prices are important contributors to positive cash flow for customers, expectations about future prices and price volatility are generally more important for determining future spending levels. This volatility can lead many exploration and production companies to base their capital spending on much more conservative estimates of commodity prices. As a result, demand for drilling services and solutions is not always purely a function of the movement of commodity prices.

Credit and Capital Market Risk

Customers may finance their exploration activities through cash flow from operations, the debt financing, or the issuance of equity. Any deterioration in the credit and capital markets, as experienced in the past, can make it difficult for customers to obtain funding for their capital needs. A reduction of cash flow resulting from declines in commodity prices or a reduction of available financing may result in customer credit defaults or reduced demand for our services, which could have a material adverse effect on our business, financial condition and results of operations. Similarly, we may need to access capital markets to obtain financing. Our ability to access capital markets for financing could be limited by, among other things, oil and gas prices, our existing capital structure, our credit ratings, the state of the economy, the health of the drilling and overall oil and gas industry, and the liquidity of the capital markets. Many of the factors that affect our ability to access capital markets are outside of our control. No assurance can be given that we will be able to access capital markets on terms acceptable to us when required to do so, which could have a material adverse impact on our business, financial condition and results of operations.

Further, we attempt to secure favorable prices through advanced ordering and purchasing for drilling rig components. While these materials have generally been available at acceptable prices, there is no assurance the prices will not vary significantly in the future. Any fluctuations in market conditions causing increased prices in materials and supplies could have a material adverse effect on future operating costs.

Interest Rate Risk

Our interest rate risk exposure results primarily from short-term rates, mainly SOFR-based, on any borrowings from the Amended Credit Facility and Term Loan Credit Agreement. At September 30, 2026, there were no outstanding borrowings under the Amended Credit Facility and under the Term Loan Credit Agreement. Our total outstanding debt consisted of $1.9 billion (face amount) in senior unsecured notes and secured term loan credit agreements, and had an estimated fair value of $1.7 billion as of September 30, 2026. The $1.8 billion (face amount) in senior unsecured notes at September 30, 2026 comprised of the following: $350.0 million aggregate principal amount of 4.65% senior notes due 2027, $350.0 million aggregate principal amount of 4.85% senior notes due 2029, $550.0 million aggregate principal amount of 2.90% senior notes due 2031 and $550.0 million aggregate principal amount of 5.50% senior notes due 2034. The secured term loan credit agreements at September 30, 2026 comprised of the following: $36.4 million secured term loan due 2033 and $39.7 million secured term loan due 2034.

Equity Price Risk

As of September 30, 2026, and 2025, we owned approximately 1.0 million shares in Tamboran Corp which had a total fair value of $33.5 million and $26.0 million, respectively.

A hypothetical 10.0% decrease in the market price for our marketable equity securities of Tamboran Corp as of September 30, 2026 would decrease the fair value by $3.4 million. These securities are subject to a wide variety and number of market-related risks that could substantially reduce or increase the fair value of our holdings.

At November 12, 2026, the total fair value of our remaining equity securities in Tamboran Corp. decreased to approximately $29.3 million. We continually monitor the fair value of the investments but are unable to predict future market volatility and any potential impact to the Consolidated Financial Statements.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA



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Management's Report on Internal Control over Financial Reporting

Management of Helmerich & Payne, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) or 15d-15(f) under the Securities Exchange Act of 1934. Our internal control over financial reporting was designed under the supervision of the Chief Executive Officer and Chief Financial Officer to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America, and includes those policies and procedures that:

(i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets;

(ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and the Board of Directors; and

(iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management assessed the effectiveness of the Company's internal control over financial reporting as of September 30, 2026. In making this assessment, management used the criteria established in the *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our evaluation under the criteria in *Internal Control-Integrated Framework (2013)*, management has concluded that the Company maintained effective internal control over financial reporting as of September 30, 2026.

Ernst & Young LLP, the independent registered public accounting firm that also audited the Company's consolidated financial statements included in this Annual Report on Form 10-K, has issued an attestation report on the effectiveness of the Company's internal control over financial reporting as of September 30, 2026, as stated in their report which appears herein.

Helmerich & Payne, Inc.

by

/s/ Raymond John Adams III	/s/ Todd Scruggs
Raymond John Adams III Director, President and Chief Executive Officer	Todd N. Scruggs Senior Vice President and Chief Financial Officer (Principal Financial Officer)
November 19, 2026	November 19, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Helmerich & Payne, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Helmerich & Payne, Inc.'s internal control over financial reporting as of September 30, 2026, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Helmerich & Payne, Inc. (the Company) maintained, in all material respects, effective internal control over financial reporting as of September 30, 2026, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of September 30, 2026 and 2025, the related consolidated statements of operations, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended September 30, 2026, and the related notes and our report dated November 19, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Tulsa, Oklahoma
November 19, 2026

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Helmerich & Payne, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Helmerich & Payne, Inc. (the Company) as of September 30, 2026 and 2025, the related consolidated statements of operations, comprehensive income (loss), shareholders' equity and cash flows for each of the three years in the period ended September 30, 2026, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at September 30, 2026 and 2025, and the results of its operations and its cash flows for each of the three years in the period ended September 30, 2026, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of September 30, 2026, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated November 19, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing a separate opinion on the critical audit matters or on the accounts or disclosures to which they relate.

Self-Insurance Accruals

Description of the Matter	The Company's liability for self-insured risks for workers' compensation and other casualty claims was $115.1 million at September 30, 2026. As described in Note 2 to the consolidated financial statements, this liability is based on a third-party actuarial analysis and includes an estimate for incurred but not reported claims. The actuarial analysis considers a variety of factors, including third-party adjusters' estimates, historical experience, and statistical methods commonly used within the insurance industry. Auditing the Company's liability for self-insured risks for workers' compensation and other casualty claims is complex and required us to use our actuarial specialists due to the measurement uncertainty associated with the estimate, management's application of significant judgment, and the use of various actuarial methods.
How We Addressed the Matter in Our Audit	We evaluated the design and tested the operating effectiveness of the Company's controls over the workers' compensation and other casualty claims accrual process, including management's review controls over the significant assumptions used in the calculation and the completeness and accuracy of the data underlying the reserve. To test the liability for self-insured risks for workers' compensation and other casualty claims, we performed audit procedures that included, among others, testing the completeness and accuracy of the underlying claims data provided to management's actuary and obtaining legal confirmation letters to evaluate the reserves recorded on significant litigated matters. Additionally, we involved our actuarial specialists to assist in our evaluation of the methodologies applied by management's actuary in establishing the actuarially determined reserve. We compared the Company's estimates to ranges of estimates independently developed by our actuarial specialists.

Impairment of Long-Lived Assets and Finite-lived Intangibles

Description of the Matter	As more fully described in Notes 4 and 6 to the consolidated financial statements, the Company recorded a $529.4 million impairment charge in fiscal year 2026 related to its Saudi Arabia T-Series asset group of which $456.8 million and $58.0 million was allocated to property, plant and equipment and customer relationships, respectively. Auditing the Company's impairment analysis was complex due to the significant subjectivity in determining the fair value of the asset group based on the income approach. In particular, the fair value estimate was sensitive to significant assumptions, such as revenue growth rates, margin, maintenance capital expenditures, and discount rate, which are affected by expectations about future market and economic conditions.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of the Company's controls over the valuation of the asset group. For example, we tested controls over management's review of the valuation model and the underlying assumptions and data used in the analysis. To test the estimated fair value of the asset group, our audit procedures included, among others, evaluating the Company's selection of the valuation methodology, evaluating the significant assumptions used by the Company and evaluating the completeness and accuracy of the underlying data used by the Company in its analysis. We involved valuation specialists to assist with our evaluation of the valuation methodologies used by the Company and significant assumptions included in the fair value estimate. Specifically, our valuation specialists assisted by evaluating the valuation methodologies used, comparing key assumptions to current industry and market data, and developing an expected range of values based on significant inputs and assumptions to assess reasonableness of the Company's estimates.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1994.
Tulsa, Oklahoma
November 19, 2026

HELMERICH & PAYNE, INC.
CONSOLIDATED BALANCE SHEETS

(in thousands except share data and per share amounts)	September 30, 2026	September 30, 2025
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 195,784	$ 196,848
Restricted cash	43,871	27,412
Short-term investments	54,585	21,496
Accounts receivable, net of allowance of $20,149 and $19,647, respectively	882,129	782,644
Inventories of materials and supplies, net	278,848	324,326
Prepaid expenses and other, net	72,058	97,518
Assets held-for-sale	107,853	15,231
Total current assets	1,635,128	1,465,475
Investments, net	75,002	68,198
Property, plant and equipment, net	3,246,774	4,313,074
Other Noncurrent Assets:		
Goodwill	184,792	182,854
Intangible assets, net	347,609	485,540
Operating lease right-of-use assets	105,222	123,598
Other assets, net	61,758	66,999
Total other noncurrent assets	699,381	858,991
Total assets	$ 5,656,285	$ 6,705,738
LIABILITIES & SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	$ 198,132	$ 217,923
Dividends payable	25,411	25,199
Accrued liabilities	535,330	564,855
Liabilities held-for-sale	18,786	—
Current portion of long-term debt, net	6,859	6,859
Total current liabilities	784,518	814,836
Noncurrent Liabilities:		
Long-term debt, net	1,854,347	2,057,084
Deferred income taxes	465,525	624,000
Retirement benefit obligation	88,130	109,864
Other	281,276	270,616
Total noncurrent liabilities	2,689,278	3,061,564
Commitments and Contingencies (Note 16)		
Shareholders' Equity:		
Common stock, $0.10 par value, 160,000,000 shares authorized, 112,222,865 shares issued as of September 30, 2026 and 2025, and 99,957,881 and 99,446,577 shares outstanding as of September 30, 2026 and 2025, respectively	11,222	11,222
Preferred stock, no par value, 1,000,000 shares authorized, no shares issued	—	—
Additional paid-in capital	521,831	513,050
Retained earnings	1,947,831	2,619,090
Accumulated other comprehensive income	49,769	44,964
Treasury stock, at cost, 12,264,984 shares and 12,776,288 shares as of September 30, 2026 and 2025, respectively	(443,818)	(463,536)
Non-controlling interest	95,654	104,548
Total shareholders' equity	2,182,489	2,829,338
Total liabilities and shareholders' equity	$ 5,656,285	$ 6,705,738

The accompanying notes are an integral part of these consolidated financial statements.

HELMERICH & PAYNE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share amounts)	Year Ended September 30, 2026	2025	2024
OPERATING REVENUES			
Drilling services	$ 3,945,392	$ 3,678,660	$ 2,746,128
Other	130,681	67,353	10,479
	4,076,073	3,746,013	2,756,607
OPERATING COSTS AND EXPENSES			
Drilling services operating expenses, excluding depreciation and amortization	2,762,286	2,511,408	1,624,681
Other operating expenses	121,548	56,019	4,483
Depreciation and amortization	723,357	625,085	397,344
Research and development	25,643	34,125	40,955
Selling, general and administrative	275,797	287,052	244,883
Acquisition transaction and integration costs	9,684	54,702	14,982
Asset impairment charges	740,279	194,030	—
Restructuring charges	6,114	12,131	—
Voluntary separation program charges	8,483	—	—
Gain on involuntary conversion	(13,581)	—	—
Gain on reimbursement of drilling equipment	(25,084)	(33,398)	(33,309)
Other (gain) loss on sale of assets	(119,627)	1,541	5,139
	4,514,899	3,742,695	2,299,158
OPERATING INCOME (LOSS)	**(438,826)**	**3,318**	**457,449**
Other income (expense)			
Interest and dividend income	9,949	35,207	41,168
Interest expense	(99,331)	(107,808)	(29,093)
Gain (loss) on investment securities	923	(22,377)	13,953
Foreign currency exchange gain (loss)	306	(9,682)	(5,550)
Other	(6,147)	27,229	3,093
	(94,300)	(77,431)	23,571
Income (loss) before income taxes	(533,126)	(74,113)	481,020
Income tax expense	25,911	85,835	136,855
NET INCOME (LOSS)	(559,037)	(159,948)	344,165
Net income attributable to non-controlling interest	10,415	3,747	—
NET INCOME (LOSS) ATTRIBUTABLE TO HELMERICH & PAYNE, INC.	**$ (569,452)**	**$ (163,695)**	**$ 344,165**
Earnings (loss) per share attributable to Helmerich & Payne, Inc.:			
Basic	$ (5.72)	$ (1.66)	$ 3.43
Diluted	$ (5.72)	$ (1.66)	$ 3.43
Weighted average shares outstanding:			
Basic	99,824	99,272	98,857
Diluted	99,824	99,272	99,067

The accompanying notes are an integral part of these consolidated financial statements.

HELMERICH & PAYNE, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in thousands)	Year ended September 30, 2026	2025	2024
Net income (loss)	$ (559,037)	$ (159,948)	$ 344,165
Other comprehensive income, net of income taxes:			
Net change related to employee benefit plans	9,691	10,308	2,143
Unrealized gain (loss) on available-for-sale debt security	—	808	(512)
Reclassification of gain on available-for-sale debt security	(296)	—	—
Currency translation adjustment	(4,590)	40,198	—
Other comprehensive income	4,805	51,314	1,631
Comprehensive income (loss)	(554,232)	(108,634)	345,796
Comprehensive income attributable to non-controlling interest	10,415	3,747	—
Comprehensive income (loss) attributable to Helmerich & Payne, Inc.	$ (564,647)	$ (112,381)	$ 345,796

The accompanying notes are an integral part of these consolidated financial statements.

HELMERICH & PAYNE, INC.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(in thousands, except per share amounts)	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Treasury Stock Shares	Treasury Stock Amount	Non-controlling Interest	Total
Balance at September 30, 2023	112,222	$ 11,222	$ 525,369	$ 2,707,715	$ (7,981)	12,796	$ (464,382)	$ —	$ 2,771,943
Comprehensive income:									
Net income	—	—	—	344,165	—	—	—	—	344,165
Other comprehensive income	—	—	—	—	1,631	—	—	—	1,631
Dividends declared ($1.00 per share, $0.68 supplemental per share)	—	—	—	(168,290)	—	—	—	—	(168,290)
Vesting of restricted stock awards, net of shares withheld for employee taxes	—	—	(38,797)	—	—	(729)	26,620	—	(12,177)
Stock-based compensation	—	—	31,198	—	—	—	—	—	31,198
Share repurchases	—	—	—	—	—	1,400	(51,631)	—	(51,631)
Other	—	—	313	—	—	—	—	—	313
Balance at September 30, 2024	112,222	$ 11,222	$ 518,083	$ 2,883,590	$ (6,350)	13,467	$ (489,393)	$ —	$ 2,917,152
Comprehensive income:									
Net loss	—	—	—	(163,695)	—	—	—	3,747	(159,948)
Other comprehensive income	—	—	—	—	51,314	—	—	—	51,314
Non-controlling interest in connection with business acquisition (Note 3—Business Combination)	—	—	—	—	—	—	—	116,061	116,061
Dividends declared ($1.00 base per share)	—	—	—	(100,805)	—	—	—	—	(100,805)
Dividends declared and distributions to non-controlling interest	—	—	—	—	—	—	—	(15,484)	(15,484)
Vesting of restricted stock awards, net of shares withheld for employee taxes	—	—	(36,690)	—	—	(691)	25,857	—	(10,833)
Stock-based compensation	—	—	31,594	—	—	—	—	—	31,594
Other	—	—	63	—	—	—	—	224	287
Balance at September 30, 2025	112,222	$ 11,222	$ 513,050	$ 2,619,090	$ 44,964	12,776	$ (463,536)	$ 104,548	$ 2,829,338
Comprehensive income (loss):									
Net loss	—	—	—	(569,452)	—	—	—	10,415	(559,037)
Other comprehensive income	—	—	—	—	4,805	—	—	—	4,805
Dividends declared ($1.00 per share)	—	—	—	(101,702)	—	—	—	—	(101,702)
Dividends declared and distributions to non-controlling interest	—	—	—	—	—	—	—	(18,999)	(18,999)
Vesting of restricted stock awards, net of shares withheld for employee taxes	—	—	(26,467)	—	—	(511)	19,718	—	(6,749)
Stock-based compensation	—	—	37,345	—	—	—	—	—	37,345
Other	—	—	(2,097)	(105)	—	—	—	(310)	(2,512)
Balance at September 30, 2026	112,222	$ 11,222	$ 521,831	$ 1,947,831	$ 49,769	12,265	$ (443,818)	$ 95,654	$ 2,182,489

The accompanying notes are an integral part of these consolidated financial statements.

HELMERICH & PAYNE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)	Year Ended September 30, 2026	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net income (loss)	$ (559,037)	$ (159,948)	$ 344,165
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	723,357	625,085	397,344
Asset impairment charges	740,279	194,030	—
Amortization of debt discount and debt issuance costs	5,331	6,069	10,560
Stock-based compensation	37,345	31,594	31,198
(Gain) loss on investment securities	(923)	22,377	(13,953)
Gain on involuntary conversion	(13,581)	—	—
Gain on reimbursement of drilling equipment	(25,084)	(33,398)	(33,309)
Other (gain) loss on sale of assets	(119,627)	1,541	5,139
Deferred income tax	(158,641)	(78,661)	(23,191)
Other	2,281	14,039	5,132
Change in assets and liabilities:			
Accounts receivable	(148,424)	(48,598)	(10,744)
Inventories of materials and supplies	244	(26,851)	(20,764)
Prepaid expenses and other	18,252	41,522	3,370
Other noncurrent assets	4,875	(11,459)	(20,740)
Accounts payable	4,662	(21,346)	(2,291)
Accrued liabilities	(24,354)	(74,607)	16,798
Other noncurrent liabilities	4,981	61,561	(4,051)
Net cash provided by operating activities	491,936	542,950	684,663
CASH FLOWS FROM INVESTING ACTIVITIES:			
Capital expenditures	(286,717)	(426,373)	(495,072)
Purchase of short-term investments	(95,772)	(117,057)	(200,653)
Purchase of long-term investments	(2,797)	(3,296)	(9,120)
Payment for acquisition of business, net of cash acquired	—	(1,836,072)	—
Proceeds from sale of short-term investments	61,069	378,353	204,152
Proceeds from sale of long-term investments	124	31,990	—
Insurance proceeds from involuntary conversion	25,000	2,366	5,533
Proceeds from asset sales	49,110	45,776	46,412
Proceeds from real estate asset sales	127,667	—	—
Other	(810)	(1,029)	(10,000)
Net cash used in investing activities	(123,126)	(1,925,342)	(458,748)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividends paid	(101,491)	(100,735)	(168,459)
Distributions to non-controlling interests	(18,999)	(15,380)	—
Proceeds from debt issuance	—	400,000	1,247,629
Debt issuance costs	—	(2,629)	(22,934)
Payments for employee taxes on net settlement of equity awards	(6,749)	(10,836)	(12,177)
Payment of contingent consideration from acquisition of business	—	—	(6,250)
Payments on unsecured long-term debt	(200,000)	(200,000)	—
Share repurchases	—	—	(51,302)
Other	(6,860)	(3,759)	—
Net cash provided by (used in) financing activities	(334,099)	66,661	986,507
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(5,450)	12,971	—
Net increase (decrease) in cash and cash equivalents and restricted cash	29,261	(1,302,760)	1,212,422
Cash and cash equivalents and restricted cash, beginning of period	225,900	1,528,660	316,238
Cash and cash equivalents and restricted cash, end of period	$ 255,161	$ 225,900	$ 1,528,660

The accompanying notes are an integral part of these consolidated financial statements.

HELMERICH & PAYNE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

(in thousands)	Year Ended September 30, 2026	2025	2024
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid/(received) during the period:			
Interest paid	$ 94,837	$ 82,295	$ 15,947
Income tax paid	164,556	205,618	181,349
Income tax received	(428)	(201)	(1,224)
Cash paid for amounts included in the measurement of lease liabilities:			
Payments for operating leases	43,356	56,590	13,260
Non-cash operating and investing activities:			
Changes in accounts payable and accrued liabilities related to purchases of property, plant and equipment	(1,494)	11,780	(20,454)

The accompanying notes are an integral part of these consolidated financial statements.

HELMERICH & PAYNE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 NATURE OF OPERATIONS

Helmerich & Payne, Inc. (“H&P,” which, together with its subsidiaries, is identified as the “Company,” “we,” “us,” or “our,” except where stated or the context requires otherwise) through its operating subsidiaries provides performance-driven drilling solutions and technologies that are intended to make hydrocarbon recovery safer and more economical for oil and gas exploration and production companies.

KCA Deutag Acquisition

On January 16, 2025 (the “Closing Date” or "Acquisition Date"), H&P completed its acquisition of the entire issued share capital (the "Acquisition") of KCA Deutag International Limited ("KCA Deutag") pursuant to the Sale and Purchase Agreement (the "Purchase Agreement"). H&P paid aggregate cash consideration of approximately $2.0 billion, which consisted of the share purchase price of $0.9 billion and $1.1 billion which was used to contemporaneously repay or redeem certain of KCA Deutag's existing debt, including, as applicable, the payment of all accrued and unpaid interest, premiums, and fees. The Company's results presented for the fiscal year ended September 30, 2025 reflect a full 365 days of legacy H&P operations and 258 days of KCA Deutag operations, as the Acquisition was completed on January 16, 2025.

The acquisition included a diversified global drilling business with significant land drilling operations in the Middle East and additional operations in South America, Europe, and Northern Africa. The acquired operations historically generated a substantial portion of their revenues and cash flows from land drilling activities. The acquisition also included asset-light offshore management contract operations in the North Sea, Azerbaijan, and Canada, which provide drilling-related services on customer-owned platforms. In addition, the acquisition included the BENTEC™ business unit (formerly Kenera), consisting of manufacturing and engineering operations with four facilities serving the energy industry.

During the first quarter of fiscal year 2026, we announced the rebranding of KCA Deutag’s Kenera business unit to BENTEC™. The BENTEC™ name, already recognized in the market, will now represent all products and services previously associated with Kenera and its sub-brands. Accordingly, throughout this document and in future references, Kenera will be referred to as BENTEC™.

For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination.

Our Segments

Our North America Solutions operations are primarily located in Texas, but also traditionally operate in other states, depending on demand. Our International Solutions operations are conducted in major international oil and gas markets, primarily in the Middle East and Latin America. Our Offshore Solutions operations consist of asset-light offshore management contracts and contracted rig platforms located in U.S. federal waters, the North Sea and Norwegian Sea off the coast of Norway, the Caspian Sea and other international waters. Our "Other" operations is primarily comprised of our BENTEC™ manufacturing and engineering activities and our wholly-owned captive insurance companies. Refer to Note 17—Business Segments and Geographic Information for further details on our reportable segments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, RELATED RISKS AND UNCERTAINTIES

Basis of Presentation

The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Principles of Consolidation

The Consolidated Financial Statements include the accounts of H&P and its domestic and foreign subsidiaries. Consolidation of a subsidiary begins when the Company gains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income, expenses and other comprehensive income or loss of a subsidiary acquired or disposed of during the fiscal year are included in the Consolidated Statements of Operations and Consolidated Statements of Comprehensive Income (Loss) from the date the Company gains control until the date when the Company ceases to control the subsidiary. The equity attributable to non-controlling interests in subsidiaries is shown separately in the accompanying Consolidated Balance Sheets. All intercompany accounts and transactions have been eliminated upon consolidation.

Cash, Cash Equivalents, and Restricted Cash

Cash and cash equivalents include cash on hand, demand deposits with banks and all highly liquid investments with original maturities of three months or less. Our cash, cash equivalents and short-term investments are subject to potential credit risk, and certain of our cash accounts carry balances greater than the federally insured limits.

As of September 30, 2026 and 2025, restricted cash was $45.2 million and $29.1 million, respectively. Of the total at September 30, 2026 and 2025, $43.9 million and $27.4 million, respectively, represents the amount management has elected to restrict for the purpose of potential insurance claims in our wholly-owned captive insurance companies. Additionally, of the total at September 30, 2024, $1.2 billion represents net proceeds from senior notes issued in fiscal year 2024 to finance the purchase price of the Acquisition and to repay certain of KCA Deutag's outstanding indebtedness and was subsequently used during the fiscal year ended September 30, 2025 to fund the Acquisition. For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination. The restricted amounts are primarily invested in short-term money market securities.

Cash, cash equivalents, and restricted cash are reflected on the Consolidated Balance Sheets as follows:

	September 30,		
(in thousands)	2026	2025	2024
Current Assets:			
Cash and cash equivalents	$ 195,784	$ 196,848	$ 217,341
Restricted cash	43,871	27,412	68,902
Assets held-for-sale	14,163	—	—
Other Noncurrent Assets:			
Restricted cash	1,343	1,640	1,242,417
Total cash, cash equivalents, and restricted cash	$ 255,161	$ 225,900	$ 1,528,660

Accounts Receivable

Accounts receivable represents valid claims against our customers for our services rendered, net of allowances for credit losses. We perform credit evaluations of customers and do not typically require collateral in support for trade receivables. We provide an allowance for credit losses to cover estimated credit losses. Outstanding customer receivables are reviewed regularly for possible nonpayment indicators. We estimate expected credit losses over the life of our financial assets, which primarily consist of our accounts receivable, through a review of several factors, including historical collection experience, current aging status of the customer accounts, and current financial strength and liquidity of our customers. We evaluate our customers' financial strength and liquidity based on aging of accounts receivable, payment history, and other relevant information, including ratings agency, credit ratings and alerts, and publicly available reports.

Inventories of Materials and Supplies

Inventories associated with drilling operations consist primarily of replacement parts and supplies held for consumption and are stated at weighted average cost, including the cost of materials, shipping, duties and labor. Inventories associated with BENTEC™ operations consist primarily of parts designated for customer sale and are stated at the lower of cost or net realizable value. Inventory is reviewed for obsolescence and written down as necessary. The allowance for excess and obsolete inventory reported in the prior year primarily related to the acquisition of KCA Deutag. During the current year, the remaining acquisition-related basis adjustment was allocated to specific inventory items and is now reflected in the carrying value.

Investments

We maintain strategic investments in equity and debt securities of certain publicly traded and private companies together with short-term investments to manage liquidity in U.S. government, federal agency and corporate debt securities. We recognize our equity securities that have readily determinable fair values at fair value, with changes in such values reflected in net income. Our equity securities without readily determinable fair values are measured at cost, less any impairments and marked to fair value once observable changes in identical or similar investments from the same issuer occur. Debt securities classified as available-for-sale are reported at fair value and subject to impairment testing. Other than impairment losses, unrealized gains/losses are recognized, net of the related tax effect, in other comprehensive income. Upon sale, realized gains/losses are reported in net income.

Property, Plant, and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation. Substantially all property, plant and equipment are depreciated using the straight-line method based on the estimated useful lives of the assets after deducting their salvage values. The amount of depreciation expense we record is dependent upon certain assumptions, including an asset's estimated useful life, rate of consumption, and corresponding salvage value. We periodically review these assumptions and may change one or more of these assumptions. Changes in our assumptions may require us to recognize, on a prospective basis, increased or decreased depreciation expense.

We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Changes that could prompt such an assessment include a significant decline in revenue or cash margin per day, extended periods of low rig asset group utilization, changes in market demand for a specific asset, obsolescence, restructuring of our drilling fleet, and/or overall general market conditions. If the review of the long-lived assets indicates that the carrying value of these assets/asset groups is more than the estimated undiscounted future cash flows projected to be realized from the use of the asset and its eventual disposal an impairment charge is recognized, as required, to adjust the carrying value down to the estimated fair value of the asset. The estimated fair value is determined based upon either an income approach using estimated discounted future cash flows, a market approach considering factors such as recent market sales of rigs of other companies and our own sales of rigs, appraisals and other factors, a cost approach utilizing reproduction costs new as adjusted for the asset age and condition, and/or a combination of multiple approaches.

Cash flows are estimated by management considering factors such as prospective market demand, margins, recent changes in rig technology and its effect on each rig's marketability, any investment required to make a rig operational, suitability of rig size and make up to existing platforms, and competitive dynamics including industry utilization. Long-lived assets that are held-for-sale are recorded at the lower of carrying value or the fair value less costs to sell.

Goodwill and Intangible Assets

Goodwill represents the excess of the purchase price over the fair value of assets acquired and liabilities assumed in a business combination, at the date of acquisition. Goodwill is not amortized, but is tested for potential impairment at the reporting unit level at a minimum on an annual basis in the fourth fiscal quarter of each fiscal year or when it is more likely than not that the carrying value may exceed fair value. If an impairment is determined to exist, an impairment charge for the amount by which the reporting unit's carrying amount exceeds its fair value is recognized, limited to the total amount of goodwill allocated to that reporting unit. The reporting unit level is defined as an operating segment or one level below an operating segment.

Finite-lived intangible assets are amortized using the straight-line method over the period in which these assets contribute to our cash flows, generally estimated to be 1 to 16 years, and are evaluated for impairment in accordance with our policies for valuation of long-lived assets.

Drilling Revenues

Drilling services revenues are primarily comprised of daywork drilling contracts for which the related revenues and expenses are recognized as services are performed and collection is reasonably assured. For certain contracts, we receive payments contractually designated for the mobilization of rigs and other drilling equipment. Revenues associated with mobilization and demobilization and direct costs incurred for the mobilization are deferred and recognized on a straight-line basis as the drilling service is provided. Costs incurred to relocate rigs and other drilling equipment to areas in which a contract has not been secured are expensed as incurred. Reimbursements received for out-of-pocket expenses are recorded as both revenues and direct costs. Reimbursements for fiscal years 2026, 2025 and 2024 were $465.4 million, $431.2 million and $334.6 million, respectively. For fixed-term contracts that are terminated by customers prior to the expirations, contractual provisions customarily require early termination amounts to be paid to us. Revenues from early terminated contracts are recognized when all contractual requirements have been met. Early termination revenue for fiscal years 2026, 2025 and 2024 was approximately $4.9 million, $2.3 million and $13.4 million, respectively.

Income Taxes

Current income tax expense is the amount of income taxes expected to be payable for the current fiscal year. Deferred income taxes are computed using the liability method and are provided on all temporary differences between the financial basis and the tax basis of our assets and liabilities.

We take tax positions in our tax returns from time to time that may not ultimately be allowed by the relevant taxing authority. When we take such positions, we evaluate the likelihood of sustaining those positions and determine the amount of tax benefit arising from such positions, if any, that should be recognized in our financial statements. We recognize uncertain tax positions we believe have a greater than 50.0% likelihood of being sustained. Tax benefits not recognized by us are recorded as a liability for unrecognized tax benefits, which represents our potential future obligation to various taxing authorities if the tax positions are not sustained. See Note 8—Income Taxes. Amounts for uncertain tax positions are adjusted in periods when new information becomes available or when positions are effectively settled. We recognize accrued interest related to unrecognized tax benefits in interest expense and penalties in other expense in the Consolidated Statements of Operations.

Earnings per Common Share

Basic earnings per share is computed utilizing the two-class method and is calculated based on the weighted-average number of common shares outstanding during the periods presented. Diluted earnings per share is computed using the weighted-average number of common and common equivalent shares outstanding during the periods utilizing the two-class method for nonvested restricted stock and performance share units. We have granted and expect to continue to grant to employees restricted stock grants that contain non-forfeitable rights to dividends. Such grants are considered participating securities under Accounting Standards Codification ("ASC") 260, *Earnings Per Share*. As such, we have included these grants in the calculation of our basic earnings per share.

Stock-Based Compensation

Stock-based compensation expense is determined using a fair-value-based measurement method for all awards granted. The fair value of restricted stock awards is determined based on the closing price of our shares on the grant date. The grant date fair value of performance share units is determined through the use of the Monte Carlo simulation method. The Monte Carlo simulation method requires the use of highly subjective assumptions. Our key assumptions in the method include the price and the expected volatility of our stock and our self-determined peer group of companies' (the "Peer Group") stock, risk free rate of return, dividend yields and cross-correlations between the Company and our Peer Group.

Stock-based compensation is recognized on a straight-line basis over the requisite service periods of the stock awards, which is generally the vesting period. Stock-based compensation expense is recorded as a component of drilling services operating expenses, research and development expenses and selling, general and administrative expenses in the Consolidated Statements of Operations. See Note 11—Stock-based Compensation for additional discussion on stock-based compensation.

Treasury Stock

Treasury stock purchases are accounted for under the cost method whereby the cost of the acquired stock is recorded as treasury stock. Gains and losses on the subsequent reissuance of shares are credited or charged to additional paid-in capital using the average-cost method. Treasury stock may be issued for awards under our omnibus incentive plans.

Comprehensive Income or Loss

Other comprehensive income or loss refers to revenues, expenses, gains, and losses that are included in comprehensive income or loss but excluded from net income or loss. We report the components of other comprehensive income or loss, net of tax, by their nature and disclose the tax effect allocated to each component in Note 9—Shareholders' Equity.

Leases

We lease various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of one to 15 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Leases are recognized as a right-of-use asset and a corresponding liability within accrued liabilities and other non-current liabilities at the date at which the leased asset is available for use by the Company. Operating lease expense is recognized on a straight-line basis over the life of the lease. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis for finance type leases.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable
- Variable lease payments that are based on an index or a rate
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, our incremental borrowing rate is used, which is the rate that we would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost and are comprised of the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received
- Any initial direct costs, and
- Asset retirement obligations related to that lease, as applicable.

Payments associated with short-term leases are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs and is within our control. Refer to Note 5—Leases for additional information regarding our leases.

Use of Estimates

The preparation of our financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Recently Issued Accounting Updates

Changes to U.S. GAAP are established by the Financial Accounting Standards Board (“FASB”) in the form of Accounting Standards Updates ("ASUs") to the FASB Accounting Standards Codification ("ASC"). We consider the applicability and impact of all ASUs. ASUs not listed below were assessed and determined to be either not applicable, clarifications of ASUs listed below, immaterial, or already adopted by the Company.

The following table provides a brief description of recently adopted accounting pronouncements and standards that are not yet adopted and our analysis of the effects on our financial statements:

Standard	Description	Date of Adoption	Effect on the Financial Statements or Other Significant Matters
Recently Adopted Accounting Pronouncements			
ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures	This ASU enhances income tax disclosure requirements. Under the ASU, public business entities must annually (1) disclose specific categories in the rate reconciliation and (2) provide additional information for reconciling items that meet a quantitative threshold (if the effect of those reconciling items is equal to or greater than 5.0% of the amount computed by multiplying pretax income or loss by the applicable statutory income tax rate). Specific categories that must be included in the reconciliation for each annual reporting period are specified in the amendment. This update is effective for annual periods beginning after December 15, 2024. Early adoption of the amendments is permitted. Upon adoption, the amendments shall be applied on a prospective basis. Retrospective application is permitted.	September 30, 2026	We adopted this ASU during the fourth quarter of fiscal year 2026, as required. The adoption did not affect our Consolidated Financial Statements. The required additional disclosures are included in Note 8—Income Taxes.
Standards that are not yet adopted as of September 30, 2026			
ASU No. 2024-03, Income Statement -- Reporting Comprehensive Income -- Expense Disaggregation Disclosure (Subtopic 220-40)	This ASU enhances disclosure requirements for certain costs and expenses. The amendments in this update enhance annual and interim disclosure requirements, certain liability-related expenses, expense reimbursements related to a cost-sharing or cost-reimbursement arrangement with another entity, and the disaggregation of relevant expense captions. This update gives entities the ability to use estimates or other methods that produce a reasonable approximation of the amounts required to be disclosed. This update is effective for annual periods beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. Upon adoption, the amendments shall be applied either (1) prospectively to financial statements issued for reporting periods after the effective date of this Update or (2) retrospectively to any or all prior periods presented in the financial statements.	September 30, 2028	We plan to adopt this ASU, as required, during fiscal year 2028 with the first disclosure enhancements reflected in our fiscal year 2028 Form 10-K. We are currently evaluating the impact the new guidance may have on our Consolidated Financial Statements and disclosures.

Self-Insurance

We self-insure a significant portion of expected losses relating to workers' compensation, general liability and automobile liability. Generally, self-insured retentions ("SIRs") or deductibles range from $1 million to $10 million per occurrence depending on the coverage and whether a claim occurs outside or inside of the United States. Insurance is purchased over SIRs or deductibles to reduce our exposure to catastrophic events. Estimates are recorded for incurred outstanding liabilities for workers' compensation, general, and automobile liability, including claims that are incurred but not reported. Estimates are based on adjusters' estimates, historical experience and statistical methods commonly used within the insurance industry that we believe are reliable. Insurance recoveries related to such liabilities are recorded when considered probable. We have also engaged a third-party actuary to perform a review of our casualty losses as well as losses in our captive insurance companies. Nonetheless, insurance estimates include certain assumptions and management judgments regarding the frequency and severity of claims, claim development and settlement practices. Unanticipated changes in these factors may produce materially different amounts of expense that would be reported under these programs. The Company also self-insures employee health plan exposures in excess of employee deductibles. This program is also reviewed at the end of each policy year by a third-party actuary.

We continue to use our Captive insurance companies to fund the SIRs and deductibles for our domestic workers' compensation, general liability, automobile liability claims programs, medical stop-loss program, and certain international casualty and property programs. Our operating subsidiaries are paying premiums to the Captives, typically on a monthly basis, for the estimated losses based on an external actuarial analysis. These premiums are currently held in a restricted cash account, resulting in a transfer of risk from our operating subsidiaries to the Captives. These intercompany insurance premiums are reflected as segment operating expenses within the North America Solutions, International Solutions, and Offshore Solutions reportable operating segments and are reflected as intersegment sales within "Other." Intercompany premium revenues recorded by the Captives during the fiscal years ended September 30, 2026, 2025, and 2024 amounted to $77.3 million, $69.2 million, and $61.2 million, respectively, which were eliminated upon consolidation. Direct operating costs consisted primarily of adjustments to accruals for estimated losses of $(2.9) million, $39.9 million, and $11.4 million and rig and casualty insurance premiums of $48.2 million, $42.7 million, and $37.6 million during the fiscal years ended September 30, 2026, 2025, and 2024, respectively. Our medical stop loss operating expenses for the fiscal year ended September 30, 2026, 2025, and 2024 were $18.2 million, $20.7 million, and $15.5 million, respectively. These operating costs were recorded within drilling services operating expenses in our Consolidated Statement of Operations.

Foreign Currencies

The reporting and functional currency of the parent company, H&P, is the United States Dollar ("USD"). Our foreign subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the functional currency). For some of our foreign subsidiaries, functional currency is not measured in U.S. Dollars, and, instead, is the local currency. On consolidation, the assets and liabilities of our non-U.S. Dollar functional entities are translated at exchange rates in effect at the balance sheet date. Revenue and expenses are translated at the average exchange rates prevailing during the reporting period. Translation adjustments are recorded as a separate component of stockholders' equity and are included in Other comprehensive income or loss on the Consolidated Statements of Comprehensive Income (Loss).

For foreign subsidiaries where the functional currency is the USD, monetary assets and liabilities are remeasured at the exchange rate in effect at the balance sheet date, while non-monetary items are remeasured at historical exchange rates. Revenues and expenses are remeasured at the average exchange rates prevailing during the reporting period. Gains and losses resulting from remeasurement are included within Foreign currency exchange loss on the Consolidated Statements of Operations.

Concentration of Credit Risk

Financial instruments, which potentially subject us to concentrations of credit risk, consist primarily of temporary cash investments, short and long-term investments, and trade receivables. The industry concentration has the potential to impact our overall exposure to market and credit risks, either positively or negatively, in that our customers could be affected by similar changes in economic, industry or other conditions. However, we believe that the credit risk posed by this industry concentration is offset by the creditworthiness of our customer base. Revenue from drilling services performed for our largest drilling customer, which is reported in our North America Solutions segment, totaled approximately 12.5% ($509.7 million), 12.0% ($451.3 million) and 11.0% ($302.6 million) of our total consolidated revenues during fiscal years 2026, 2025 and 2024, respectively.

We place cash in excess of our immediate needs in the United States with established financial institutions and primarily invest in a diversified portfolio of highly rated, short-term instruments. Our trade receivables, primarily with established companies in the oil and gas industry, may impact credit risk as customers may be similarly affected by prolonged changes in economic and industry conditions. International sales also present various risks including governmental activities that may limit or disrupt markets and restrict the movement of funds. Most of our international sales, however, are to large international, majority state-owned, or government-owned national oil companies.

Volatility of Market

Our operations can be materially affected by oil and gas prices. Oil and natural gas prices have been historically volatile and difficult to predict with any degree of certainty. While current energy prices are important contributors to positive cash flow for customers, expectations about future prices and price volatility are generally more important for determining a customer's future spending levels. This volatility, along with the difficulty in predicting future prices, can lead many exploration and production companies to base their capital spending on more conservative estimates of commodity prices. As a result, demand for drilling services is not always purely a function of the movement of commodity prices.

In addition, customers may finance their exploration activities through cash flow from operations, the incurrence of debt or the issuance of equity. Any deterioration in the credit and capital markets may cause difficulty for customers to obtain funding for their capital needs. A reduction of cash flow resulting from declines in commodity prices or a reduction of available financing may result in a reduction in customer spending and the demand for our services. This reduction in spending could have a material adverse effect on our operations.

International Operations Risks

International operations may significantly contribute to our revenues and net operating income or loss. There can be no assurance that we will be able to successfully conduct such operations, and a failure to do so may have an adverse effect on our financial position, results of operations, and cash flows. Also, the success of our International operations will be subject to numerous contingencies, some of which are beyond management's control. These contingencies include general and regional economic conditions, geopolitical developments and tensions, war and uncertainty in oil producing countries, fluctuations in currency exchange rates, foreign currency exchange restrictions and other difficulties repatriating cash from foreign countries, changes in international regulatory requirements and international employment issues, risk of expropriation of real and personal property and the burden of complying with foreign laws. Additionally, in the event that extended labor strikes occur or a country experiences significant political, economic or social instability, we could experience shortages in labor and/or material and supplies necessary to operate some of our drilling rigs, thereby potentially causing an adverse material effect on our business, financial condition and results of operations.

Because of the impact of local laws, some of our current operations and potential future operations in certain areas may be conducted through entities in which local citizens own interests. Additionally, these operations might involve entities (including joint ventures) where we hold only a minority interest or where operations are carried out under contract with local entities. While we believe that neither operating through such entities nor pursuant to such arrangements would have a material adverse effect on our operations or revenues, there can be no assurance that we will in all cases be able to structure or restructure our operations to conform to local law (or the administration thereof) on terms acceptable to us.

During the fiscal year ended September 30, 2026, approximately 41.9% of our operating revenues were generated from international locations compared to 33.8% during the fiscal year ended September 30, 2025. The increase was primarily driven by the completion of the Acquisition, which contributed an additional $382.1 million, or 9.4%, of revenue during the fiscal year ended September 30, 2026, reflecting a full year of KCA Deutag operations compared to 258 days in fiscal year 2025 following the completion of the Acquisition on January 16, 2025. Although we attempt to minimize the potential impact of such risks by operating in more than one geographical area, during the fiscal year ended September 30, 2026, approximately 16.0% of our total consolidated operating revenues were from operations in the Middle East compared to 13.9% during the fiscal year ended September 30, 2025. The majority of our operating revenues in the Middle East were from operations in Saudi Arabia and Oman. During the fiscal year ended September 30, 2026, a single customer in Saudi Arabia accounted for 7.1% of our total consolidated operating revenues compared to 7.0% during the fiscal year ended September 30, 2025. This customer has the ability to suspend rigs and a portion of our rigs with this customer are currently suspended. The future occurrence of one or more international events arising from the types of risks described above could have a material adverse impact on our business, financial condition and results of operations.

NOTE 3 BUSINESS COMBINATION

On January 16, 2025 (the "Closing Date" or "Acquisition Date"), H&P and certain of its wholly owned subsidiaries completed the previously announced agreement to acquire KCA Deutag. Upon closing, H&P paid aggregate cash consideration of approximately $2.0 billion, which consisted of the share purchase price of $0.9 billion and $1.1 billion which was used to contemporaneously repay or redeem certain of KCA Deutag's existing debt, including, as applicable, the payment of all accrued and unpaid interest, premiums, and fees.

Of the $0.9 billion, approximately $80.0 million was deposited into a customary escrow on the Closing Date pending the resolution of certain potential tax obligations of KCA Deutag. In May 2025, these escrowed funds were subsequently released to the shareholders following a determination that KCA Deutag would not be liable for the identified obligations. As part of this release, H&P received approximately $5.2 million, primarily attributable to favorable movements in the euro foreign exchange rate since the Closing Date. This amount was reported within Foreign currency exchange loss in our Consolidated Statements of Operations for the year ended September 30, 2025.

To finance the purchase price and to pay related fees and expenses, we completed a private offering of $1.25 billion aggregate principal amount of senior notes, together with the proceeds of a term loan credit agreement, cash on hand, and monetization of our investment in ADNOC Drilling. Refer to Note 7—Debt for further details on the senior notes and term loan credit agreement.

The Acquisition was accounted for as a business combination in accordance with ASC 805, *Business Combinations*, which requires the assets acquired and liabilities assumed to be recorded at their Acquisition Date fair values. Determining the fair value of acquired assets and liabilities assumed requires the use of independent valuation specialists and the use of significant estimates and assumptions with respect to future rig counts, estimated economic useful lives, operating and capital cost estimates, and a weighted average discount rate reflecting the cost of capital for market participants of 11.0%. The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, deferred income, contingent liabilities, and provisions and other payables approximate their fair values due to their nature. The remaining assets acquired and liabilities assumed are based on inputs that are not observable in the market and thus represent Level 3 inputs.

In September 2025, we finalized the allocation of the purchase price. The following table summarizes the final purchase price and the fair values of assets acquired and liabilities assumed at the Acquisition Date, inclusive of measurement period adjustments:

(in thousands)		
Total cash consideration	**$**	**2,035,523**
Allocation of purchase price		
Current assets acquired:		
Cash and cash equivalents		199,447
Short-term investments		33
Accounts receivable, net[1]		316,207
Inventories of materials and supplies, net		183,527
Prepaid expenses and other, net		87,998
Noncurrent assets acquired:		
Investments, net		1,146
Property, plant and equipment, net		1,459,490
Intangible assets, net		468,809
Operating lease right-of-use assets		46,162
Total assets acquired		2,762,819
Current liabilities assumed:		
Accounts payable and accrued liabilities		479,976
Current portion of long-term debt, net		6,755
Noncurrent liabilities assumed:		
Deferred income		6,163
Long-term debt, net		78,188
Deferred income taxes		202,050
Retirement benefit obligations		99,043
Other		52,999
Total liabilities assumed		925,174
Net assets acquired	**$**	**1,837,645**
Add: Fair value of non-controlling interests acquired		116,061
Goodwill	**$**	**313,939**

(1) The fair value of accounts receivable is $316.2 million, with the gross contractual amount being $329.3 million. The Company estimates $13.1 million to be uncollectible.

Refer to Note 6—Goodwill and Intangible Assets for more information on measurement period adjustments made during the year ended September 30, 2025.

Inventory

Inventory included materials, supplies and spare parts used as part of contract drilling operations and was valued at fair value using a replacement cost approach.

Property, Plant and Equipment

Property, plant and equipment consisted primarily of drilling rigs and equipment and are depreciated on a straight-line basis over the estimated useful lives of the assets. These assets were valued using a combination of replacement cost and a market approach.

Intangible Assets

Intangible assets included in the Acquisition consisted of developed technology, customer relationships, a trade name, and in-process research and development. The fair values were determined using a combination of the income and market approach.

These assets are amortized over their respective periods of expected benefit. Refer to Note 6—Goodwill and Intangible Assets for estimated amortization expense over the next five years. The values assigned to each intangible asset and the corresponding useful lives, as of the Acquisition Date, were as follows:

(in thousands)		Amount	Weighted Average Useful life (Years)
Customer relationships	$	432,200	9 years
Trade name		10,860	10 years
Developed technology		21,420	11 years
In-process research and development		4,329	Indefinite
Estimated fair value of acquired intangible assets	$	468,809	

As of September 30, 2025, the acquired customer relationships had a weighted average remaining term of 2.0 years until their next contract renewal or extension.

Operating Lease Right-of-Use Assets

In connection with the Acquisition, we acquired operating lease right-of-use assets and corresponding current and noncurrent liabilities as summarized below:

(in thousands)		Amount
Real estate properties	$	34,369
Drilling equipment		11,793
Total Operating lease right-of-use asset	$	46,162
Current portion of lease liabilities within Accounts payable and Accrued liabilities	$	16,557
Noncurrent portion of operating lease liabilities within Other noncurrent liabilities		39,377

We measured the lease liability at the present value of the remaining lease payments, applying a weighted average discount rate of 5.6%, as if the acquired lease was a new lease of H&P at the Acquisition Date. The right-of-use asset was measured at the same amount as the lease liability and adjusted by $9.8 million to reflect unfavorable terms of the leases when compared to market terms. We elected to apply the short-term lease measurement and recognition exemption to leases that had a remaining lease term of 12 months or less at the Acquisition Date. The weighted average remaining lease term for the acquired leases was approximately 10.1 years as of September 30, 2025.

Goodwill

The amount of goodwill recognized in the Acquisition represents the excess of the gross consideration transferred and the amount of any non-controlling interest over the fair value of the underlying net tangible and identifiable intangible assets acquired and liabilities assumed. Goodwill was attributed to the assembled workforce, anticipated operational synergies, and the allocation of proceeds in excess of the fair value of net identifiable assets acquired. Goodwill arising from the Acquisition is not deductible for tax reporting purposes. During the year ended September 30, 2025, goodwill increased by $15.8 million due to certain measurement period adjustments which primarily consisted of a $17.4 million increase resulting from the finalization of deferred tax liabilities and a $4.0 million decrease resulting from the refinement of the fair value calculation of the inventory and intangible asset balances. Separately, during the same period, we recognized an impairment of a portion of the goodwill arising from the Acquisition. Refer to Note 6—Goodwill and Intangible Assets for further information.

Long-Term Debt

As discussed above, we paid $1.1 billion to contemporaneously repay or redeem certain of KCA Deutag's existing debt upon consummation of the acquisition. As of the Closing Date, we assumed an aggregate $84.9 million in secured term loan borrowings comprised of two separate agreements as summarized in Note 7—Debt—2024 Oman Facility and —2023 Oman Facility.

End-of-Service Benefit Plans

As a result of the Acquisition, we assumed a liability of $44.8 million related to end-of-service benefit plans. This liability arises from KCA Deutag's compliance with local legislation in various Middle Eastern and South American countries, where end-of-service benefit plans are mandated. These plans require payments to employees upon the conclusion of their service, calculated based on their most recent salary and years of service. These plans are not pre-funded. A significant portion of this liability stems from operations in the Middle East for which we relied on independent actuaries to assess the value of these obligations. The primary costs associated with these plans include the present value of benefits accrued for an additional year of service and the interest on the obligation related to employee service in previous years. This liability is presented within Accrued liabilities on our Consolidated Balance Sheets.

Defined Benefit Pension Plans

As a result of the Acquisition, we now maintain pension plans in Germany and the United Kingdom "UK". Refer to Note 14—Employee Benefit Plans for additional details.

Non-controlling Interest

The non-controlling interests acquired represents the portion of certain consolidated subsidiaries that are owned by third-parties and were recorded at estimated fair market value. The non-controlling interests are presented as a separate component of equity in our Consolidated Balance Sheets and the consolidated net income attributable to non-controlling interests is disclosed separately in the Consolidated Statements of Operations.

Results of Operations

Beginning on the acquisition date, the results of operations of KCA Deutag's land drilling business and offshore management contract operations have been reported within our International Solutions and Offshore Solutions operating segments, respectively. The results of KCA Deutag's manufacturing and engineering operations are reported within Other.

Pro Forma Financial Information

The supplemental pro forma financial information presented below is for illustrative purposes only and is not necessarily indicative of the results of operations that would have been realized if the Acquisition had been completed on the date indicated, does not reflect synergies that might have been achieved, and is not indicative of future results of operations.

The summarized unaudited pro forma financial information reflects several adjustments to reflect final purchase price accounting and differences in accounting policies between International Financial Reporting Standards ("IFRS") and U.S. GAAP. These adjustments account for incremental depreciation and amortization expenses based on the fair value of KCA Deutag's assets, the elimination of interest expenses from KCA Deutag's historical borrowings, and the addition of H&P debt to fund the acquisition. The pro forma adjustments were based upon currently available information and certain assumptions that H&P believes are reasonable under the circumstances. The tax impact of these adjustments was determined using statutory tax rates.

The following unaudited pro forma combined financial information presents results for the year ended September 30, 2025 and 2024, as if we had completed the Acquisition on October 1, 2023:

(in thousands)	September 30, 2025	September 30, 2024
Revenue	$ 4,232,105	$ 4,468,207
Net income (loss)	(239,660)	172,107
Net income attributable to non-controlling interest	7,728	12,947
Net income (loss) attributable to Helmerich & Payne, Inc.	$ (247,388)	$ 159,160

NOTE 4 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as of September 30, 2026 and 2025 consisted of the following:

(in thousands)	Estimated Useful Lives	September 30, 2026	September 30, 2025
Drilling services equipment	2 - 15 years	$ 7,146,674	$ 8,168,906
Tubulars	4 years	612,528	597,933
Real estate properties	10 - 45 years	5,613	8,223
Other	2 - 23 years	637,805	620,908
Construction in progress[1]		145,239	182,942
		8,547,859	9,578,912
Accumulated depreciation		(5,301,085)	(5,265,838)
Property, plant and equipment, net		$ 3,246,774	$ 4,313,074
Assets held-for-sale		$ 107,853	$ 15,231

(1) Included in construction in progress are costs for projects in progress to upgrade or refurbish certain rigs in our existing fleet. Additionally, we include other advances for capital maintenance purchase orders that are open/in process. As these various projects are completed, the costs are then classified to their appropriate useful life category.

KCA Deutag Acquisition

Refer to Note 3—Business Combination for additional information regarding the property, plant and equipment acquired in connection with the Acquisition.

Depreciation and Abandonments

Depreciation in the Consolidated Statements of Operations of $647.4 million, $574.5 million and $390.9 million includes abandonments of $5.6 million, $2.9 million and $6.5 million for the fiscal years 2026, 2025 and 2024, respectively.

In April 2026, an incident involving a rig operating in Texas resulted in a fire that caused significant damage to the asset. Based on information available as of the date of this filing, management has concluded that the rig is a total loss. The rig had a net book value of approximately $11.4 million as of March 31, 2026. The Company maintains insurance coverage for this asset and has initiated a claim with its insurance carrier. Although the insurer's assessment of the claim has not yet been finalized, the Company reached an agreement with the insurer during the year ended September 30, 2026 for a partial settlement of $25.0 million, which was fully collected during the period.

The loss of $11.4 million was recognized as abandonment expense within Depreciation and amortization in the Company's Consolidated Statements of Operations for the year ended September 30, 2026. Consistent with applicable accounting guidance, the related insurance recovery was recognized in the same financial statement line item and was limited to the amount of the recognized loss. Accordingly, an insurance recovery of $11.4 million offset the abandonment expense during the period. The remaining insurance proceeds of approximately $13.6 million, representing the portion of the partial settlement in excess of the related loss, were recognized in Gain from involuntary conversion in the Company's Consolidated Statements of Operations during the year ended September 30, 2026.

Assets Held-for-Sale

The following is a summary of the changes in the balance (in thousands) of our assets held-for-sale for the period indicated below:

Balance at September 30, 2025	$ 15,231
Additions	162,903
Disposals	(19,042)
Impairment expense	(51,239)
Balance at September 30, 2026	$ 107,853

The following table presents the carrying amounts of the major classes of assets and liabilities classified as held for sale as of September 30, 2026 and 2025:

(in thousands)	September 30, 2026	September 30, 2025
Property, plant and equipment, net	$ 40,098	$ 15,231
Accounts receivable, net	39,143	—
Cash and cash equivalents	14,163	—
Prepaid expenses and other, net	7,422	—
Inventories of materials and supplies, net	7,027	—
Total Assets held-for sale	$ 107,853	$ 15,231
Accrued liabilities	$ 11,042	$ —
Accounts payable	7,744	—
Total Liabilities held-for sale	$ 18,786	$ —

Fiscal Year 2026 Activity

North America Solutions During fiscal year 2026, we committed to a plan to scrap 30 rigs and auxiliary equipment within our North America Solutions segment as part of our strategy to right size our fleet and reduce expenses. Of the 30 rigs, 10 were previously decommissioned. The book values of those assets were written down to the fair value less estimated cost to sell, based on the estimated proceeds expected to be received upon sale or disposal and our historical experience with sales and disposals of similar assets, and were reclassified as held-for-sale during the year ended September 30, 2026. As a result, we recognized a non-cash impairment charge of $97.9 million during the year ended September 30, 2026, in the Consolidated Statements of Operations. As of September 30, 2026, the aggregate net book value of North America Solutions assets classified as held-for-sale was $0.4 million.

International Solutions During fiscal year 2026, we identified 24 land rigs, inventory, and auxiliary assets within our International Solutions operating segment that met the asset held-for-sale criteria, of which six were T-Series rigs located in Saudi Arabia. The book values of those assets were written down to the fair value less estimated cost to sell, based on the estimated proceeds expected to be received upon sale or disposal and our historical experience with sales and disposals of similar assets, and were reclassified as held-for-sale during the year ended September 30, 2026. As a result, we recognized a non-cash impairment charge of $51.0 million during the year ended September 30, 2026, in the Consolidated Statements of Operations.

During fiscal year 2026, the Company also committed to a plan to to sell all of the assets of certain legal entities within its Latin American operations. As of September 30, 2026, the assets and related liabilities met the criteria for classification as held-for-sale. Accordingly, assets of $98.2 million and related liabilities of $18.8 million were classified as held-for-sale in the Consolidated Balance Sheet as of September 30, 2026. Upon classification as held-for-sale, the disposal group was measured at the lower of its carrying amount or estimated fair value less costs to sell, based on the estimated proceeds expected to be received upon sale of the assets. The Company is actively pursuing a sale of the assets and expects the transaction to be completed within one year. As a result, we recognized a non-cash impairment charge of $53.3 million during the year ended September 30, 2026, in the Consolidated Statements of Operations.

As of September 30, 2026, the aggregate net book value of International Solutions assets classified as held-for-sale was $107.0 million.

Offshore Solutions During fiscal year 2026, we committed to a plan to scrap three rigs within our Offshore Solutions segment as part of our strategy to right size our fleet and reduce expenses. The book values of those assets were written down to the fair value less estimated cost to sell, based on the estimated proceeds expected to be received upon sale or disposal and our historical experience with sales and disposals of similar assets, and were reclassified as held-for-sale during the year ended September 30, 2026. As a result, we recognized a non-cash impairment charge of $4.4 million during the year ended September 30, 2026, in the Consolidated Statements of Operations. As of September 30, 2026, the aggregate net book value of Offshore Solutions assets classified as held-for-sale was $0.5 million.

Other During the year ended September 30, 2026, we completed the sale of Utica Square, a shopping center comprising approximately 371,000 leasable square feet located in Tulsa, Oklahoma, and included within our "Other" operations. The assets were classified as held-for-sale as September 30, 2025. We received net proceeds of approximately $127.7 million from the sale. After considering the property's net book value and selling costs, the transaction resulted in a $114.8 million gain recognized during the year ended September 30, 2026. The gain on sale is recorded in Other (gain) loss on sale of assets within our Consolidated Statements of Operations.

Fiscal Year 2025 Activity

During the fiscal year ended September 30, 2025, we committed to a plan to sell a significant portion of our real estate portfolio, including a shopping center comprised of approximately 371,000 leasable square feet with a net book value of $12.0 million. The property was classified as held-for-sale as of September 30, 2025, and, as discussed above, the sale was completed during the year ended September 30, 2026.

During the fiscal year ended September 30, 2025, we identified 16 land rigs within our International Solutions operating segment that met the asset held-for-sale criteria with an aggregate net book value of $3.2 million.

Impairment - Fiscal Year 2026

Saudi Arabia Long-Lived Asset Impairment

During the fourth quarter of fiscal 2026, the Company identified indicators of impairment related to its Saudi Arabia T-Series asset group, including associated equipment, parts and supplies, and customer relationship intangible assets. These indicators were driven primarily by a revised outlook for operations in Saudi Arabia following the failure to achieve certain commercial milestones during the fourth quarter and the receipt of three additional suspension notices for T-Series rigs. The outlook was further affected by ongoing geopolitical uncertainty in the Middle East, which has adversely impacted drilling activity and increased uncertainty surrounding future rig mobilizations. In addition, customer demand has continued to favor newer-generation equipment, while the substantial capital investment required to upgrade certain T-Series rigs has reduced the economic viability of redeploying portions of the fleet. As a result of these factors, the Company reduced planned capital expenditures for the fleet and continued efforts to dispose of selected idle rigs. Collectively, these developments lowered expectations regarding the return to service of currently idle T-Series rigs and reduced the forecasted cash flows associated with the asset group. Accordingly, the Company performed a recoverability test and fair value analysis of the related long-lived and intangible assets.

We also reassessed the grouping of our Saudi Arabia and Oman desert rigs. Differences in customer demand, the conflict in the Middle East impacting the mobility of rigs, and the expected use of the fleets resulted in separate asset groups for the Saudi Arabia T-Series rigs, Saudi FlexRig® and Oman desert rigs during the fourth quarter of fiscal year 2026. We evaluated the Saudi Arabia T-Series rigs, related equipment, parts and supplies and customer relationships together because their cash flows are interrelated. The tested asset group, within our International Solutions segment, is comprised of 30 T-Series rigs, of which 14 were operating as of September 30, 2026. Six other T-Series rigs classified as held-for-sale as of September 30, 2026 were excluded from the tested asset group.

As of September 30, 2026, the carrying amount of the tested asset group exceeded the undiscounted cash flows expected from its use and eventual disposition. We therefore measured the impairment using the estimated fair value of the group. We recognized a non-cash impairment charge of $529.4 million, $456.8 million for property, plant and equipment, $58.0 million for customer relationships and an inventory write-down of $14.6 million reflecting reduced expected use of parts and supplies. The charge is included in Asset impairment charges on our Consolidated Statements of Operations for the fiscal year ended September 30, 2026. Following the impairment, the carrying amounts of the affected property, plant and equipment and customer relationships were $122.5 million and $13.6 million, respectively as of September 30, 2026.

We estimated the fair value of the asset group using an income approach based on discounted future cash flows. For the rigs, related equipment, parts and supplies, we used a cost approach and adjusted the results for reduced earning capacity to align them with the property value supported by the income analysis. We also used an income approach for customer relationships, based on the earnings remaining after operating costs and required returns on the other assets used in the business, and aligned the value with total value supported by the income analysis. The measurements were classified within Level 3 under ASC Topic 820 Fair Value Measurements and Disclosures as they are based upon unobservable inputs and primarily rely on management assumptions and forecasts. For additional information regarding the fair value measurements described above, refer to Note 13—Fair Value Measurement of Financial Instruments.

For purposes of the valuation, we used an average remaining economic life of 15 years for existing fixed assets. The adjusted carrying amounts of the assets remaining in use will be depreciated or amortized over their remaining estimated useful lives.

(Gain)/Loss on Sale of Assets

Gain on Reimbursement of Drilling Equipment

We recognized a gain of $25.1 million, $33.4 million, $33.3 million in fiscal years 2026, 2025 and 2024, respectively, related to customer reimbursement for the current replacement value of lost or damaged drill pipe. Gains related to these asset sales are recorded in Gains on reimbursement of drilling equipment within our Consolidated Statements of Operations.

Other Gain (Loss) on Sale of Assets

We recognized a gain (loss) of $119.6 million, $(1.5) million and $(5.1) million in fiscal years 2026, 2025 and 2024, respectively. During the year ended September 30, 2026, we completed the sale of Utica Square, a shopping center comprising approximately 371,000 leasable square feet located in Tulsa, Oklahoma, and included within our "Other" operations. The assets were classified as held-for-sale as September 30, 2025. We received net proceeds of approximately $127.7 million from the sale. After considering the property's net book value and selling costs, the transaction resulted in a $114.8 million gain recognized during the year ended September 30, 2026. The losses recognized during fiscal 2025 and 2024 primarily related to the sale of rig equipment and other capital assets and are included in Other (gain) loss on sale of assets in the Consolidated Statements of Operations.

NOTE 5 LEASES

Lease Position

(in thousands)	September 30, 2026	September 30, 2025
Operating lease commitments, including probable extensions[1]	$ 143,113	$ 158,086
Discounted using the lessee's incremental borrowing rate	$ 134,536	$ 147,581
(Less): short-term leases recognized on a straight-line basis as expense	(6,579)	(864)
(Less): other	(659)	(637)
Lease liability recognized	$ 127,298	$ 146,080
Of which:		
Current lease liabilities	$ 27,764	$ 35,960
Non-current lease liabilities	99,534	110,120

(1) Our future minimal rental payments exclude optional extensions that have not been exercised but are probable to be exercised in the future. Those probable extensions are included in the operating lease liability balance.

The recognized right-of-use assets relate to the following types of assets:

(in thousands)	September 30, 2026	September 30, 2025
Real estate properties	$ 102,412	$ 113,877
Drilling equipment	2,810	9,721
Total right-of-use assets	$ 105,222	$ 123,598

Lease Costs

The following table presents certain information related to the lease costs for our operating leases:

	Year ended September 30,		
(in thousands)	2026	2025	2024
Operating lease cost	$ 34,755	$ 30,795	$ 11,693
Short-term lease cost	8,601	25,795	1,567
Total lease cost	$ 43,356	$ 56,590	$ 13,260

Lease Terms and Discount Rates

The table below presents certain information related to the weighted average remaining lease terms and weighted average discount rates for our operating leases:

	September 30, 2026	September 30, 2025
Weighted average remaining lease term	9.3	9.9
Weighted average discount rate	5.3 %	5.2 %

Lease Obligations

Future minimum rental payments required under operating leases having initial or remaining non-cancelable lease terms in excess of one year at September 30, 2026 (in thousands) are as follows:

Fiscal Year	Amount
2027	$ 29,112
2028	19,992
2029	15,219
2030	12,615
2031	11,297
Thereafter	54,878
Total[1]	$ 143,113

(1) Our future minimal rental payments exclude optional extensions that have not been exercised but are probable to be exercised in the future. Those probable extensions are included in the operating lease liability balance.

During the fiscal year ended September 30, 2025, we updated the lease for our Tulsa corporate headquarters for common area maintenance and parking expenses, resulting in a $13.8 million increase to right-of-use assets and lease liability on our Consolidated Balance Sheets. The additional right-of-use asset will be amortized over the remaining 10.3 years of the original lease term. The future minimum lease payments for our corporate headquarters office space represent a material portion of the amounts shown in the table above.

NOTE 6 GOODWILL AND INTANGIBLE ASSETS

Due to the Acquisition, we recognized increases to our goodwill and intangible assets balances as of September 30, 2025. During the fiscal year ended September 30, 2025, goodwill increased by $15.8 million due to certain measurement period adjustments which primarily consisted of a $17.4 million increase resulting from the finalization of deferred tax liabilities and a $4.0 million decrease resulting from the refinement of the fair value calculation of the inventory and intangible asset balances. For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination.

Goodwill

Goodwill represents the excess of the purchase price over the fair values of the assets acquired and liabilities assumed in a business combination, at the date of acquisition. Goodwill is not amortized but is tested for potential impairment at the reporting unit level, at a minimum on an annual basis in the fourth fiscal quarter, or when indications of potential impairment exist.

During the fiscal year ended September 30, 2025, due primarily to the sustained decline in our share price and market capitalization, we identified indicators of potential impairment of goodwill and performed an interim impairment test and concluded that the International Solutions and BENTEC™ reporting units' carrying value exceeded their respective estimated fair value. In addition to the measurement period adjustments discussed above, we recorded a non-cash goodwill impairment charge of $132.7 million and $59.5 million, respectively, which represented a full impairment of the goodwill allocated to these reporting units during the fiscal year ended September 30, 2025. We estimated the fair value of each reporting unit using a market approach, incorporating significant unobservable, or Level 3, inputs, as defined by the fair value hierarchy. We employed a combination of the guideline public company method and the guideline transactions method, leveraging company comparisons and analyst reports from the energy industry, which supported a range of fair values derived from annualized earnings before interest, income taxes, depreciation and amortization ("EBITDA") multiples between 2.5x and 5.5x for guideline public companies and between 3.4x and 7.6x for guideline transactions. We then derived an estimated fair value of each reporting unit based on an EBITDA multiple at or below the peer-median trading multiple.

As of September 30, 2026, the Company's goodwill balance was attributable to its North America Solutions and Offshore Solutions reporting units.

The following table sets forth our goodwill balance by segment for the periods indicated:

(in thousands)	North America Solutions	International Solutions	Offshore Solutions	Other	Total
Goodwill balance at September 30, 2024	$ 45,653	$ —	$ —	$ —	$ 45,653
Acquisition of KCA Deutag	—	131,351	121,906	44,907	298,164
Measurement period adjustments	—	1,369	6,457	7,949	15,775
Currency translation adjustment	—	—	8,838	6,610	15,448
Impairment charges	—	(132,720)	—	(59,466)	(192,186)
Goodwill balance at September 30, 2025	45,653	—	137,201	—	182,854
Currency translation adjustment	—	—	1,938	—	1,938
Goodwill balance at September 30, 2026	$ 45,653	$ —	$ 139,139	$ —	$ 184,792

Indefinite-lived Intangible

After initial recognition, acquired in-process research and development ("IPR&D") projects are considered indefinite-lived until the abandonment or completion of the associated research and development effort. Acquired IPR&D is not amortized, but is subject to an annual impairment assessment. Included in Intangible assets, net, on our Consolidated Balance Sheets as of September 30, 2025 was $3.2 million of IPR&D. During the year ended September 30, 2026, we recorded a non-cash impairment charge of $3.0 million, associated with previously capitalized IPR&D that were determined to have no alternative future use. This amount is included in Asset impairment charges on our Consolidated Statements of Operations. Additionally, during the year ended September 30, 2026, $0.2 million in IPR&D projects were completed and reclassified to a finite-lived intangible asset.

Finite-lived Intangibles

Finite-lived intangible assets are amortized using the straight-line method over the period in which these assets contribute to our cash flows and are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with our policies for valuation of long-lived assets.

Our finite-lived intangible assets consist of the following:

		September 30, 2026				
(in thousands)	Weighted Average Estimated Useful Lives	Gross Carrying Amount	Accumulated Amortization	Foreign Currency Translation Adjustment	Impairment Charges	Net
Finite-lived intangible assets:						
Developed technology	14 years	$ 110,725	$ (55,156)	$ 516	$ —	$ 56,085
Customer relationships	9 years	432,200	(106,628)	10,415	(58,008)	277,979
Intellectual property	13 years	2,000	(980)	—	—	1,020
Trade name	13 years	16,570	(4,307)	262	—	12,525
		$ 561,495	$ (167,071)	$ 11,193	$ (58,008)	$ 347,609

During the year ended September 30, 2026, we recognized a non-cash impairment charge of $58.0 million related to customer relationships associated with our Saudi Arabia T-Series rigs and related operations. Refer to Note 4—Property, Plant and Equipment for additional details regarding the impairment charge of the Saudi Arabia T-Series asset group, including related equipment, parts and supplies in fiscal year 2026. The impairment charge related to the customer relationships reduced the carrying amount of these assets from $71.6 million to $13.6 million and reflected lower projected earnings from the Saudi Arabia T-Series asset group. The remaining balance will continue to be amortized over its estimated remaining useful life. The impairment charge did not include goodwill; goodwill associated with our International Solutions reporting unit was fully impaired during fiscal year 2025.

		September 30, 2025			
(in thousands)	Weighted Average Estimated Useful Lives	Gross Carrying Amount	Accumulated Amortization	Foreign Currency Translation Adjustment	Net
Finite-lived intangible assets:					
Developed technology	14 years	$ 110,516	$ (47,278)	$ 649	$ 63,887
Customer relationships	9 years	432,200	(42,077)	13,093	403,216
Intellectual property	13 years	2,000	(821)	—	1,179
Trade name	13 years	16,725	(3,088)	329	13,966
		$ 561,441	$ (93,264)	$ 14,071	$ 482,248

Amortization expense in the Consolidated Statements of Operations was $74.1 million, $50.6 million and $6.4 million for the fiscal years 2026, 2025 and 2024, respectively.

Over the next five years, amortization expense is estimated to be as follows:

(in thousands)	
Fiscal year:	
2027	$ 47,418
2028	47,418
2029	40,530
2030	35,125
2031	33,086

NOTE 7 DEBT

We have the following long-term debt outstanding with maturities shown in the following table:

	September 30, 2026			September 30, 2025		
(in thousands)	Face Amount	Unamortized Discount and Debt Issuance Cost	Book Value	Face Amount	Unamortized Discount and Debt Issuance Cost	Book Value
Unsecured senior notes:						
4.65% due December 1, 2027	$ 350,000	$ (1,291)	$ 348,709	$ 350,000	$ (2,326)	$ 347,674
4.85% due December 1, 2029	350,000	(2,652)	347,348	350,000	(3,398)	346,602
2.90% due September 29, 2031	550,000	(3,062)	546,938	550,000	(3,664)	546,336
5.50% due December 1, 2034	550,000	(6,222)	543,778	550,000	(6,803)	543,197
Total unsecured senior notes	$ 1,800,000	$ (13,227)	$ 1,786,773	$ 1,800,000	$ (16,191)	$ 1,783,809
Unsecured term loan credit agreement:						
Due January 15, 2027[1]	—	—	—	200,000	(980)	199,020
Secured term loan credit agreements:						
Due December 31, 2033[2]	36,354	(780)	35,574	39,789	(888)	38,901
Due December 31, 2034[2]	39,667	(808)	38,859	43,091	(878)	42,213
Total secured term loan credit agreements	$ 76,021	$ (1,588)	$ 74,433	$ 82,880	$ (1,766)	$ 81,114
Total debt	$ 1,876,021	$ (14,815)	$ 1,861,206	$ 2,082,880	$ (18,937)	$ 2,063,943
Less: current portion of long-term debt	(6,859)	—	(6,859)	(6,859)	—	(6,859)
Total long-term debt, net	$ 1,869,162	$ (14,815)	$ 1,854,347	$ 2,076,021	$ (18,937)	$ 2,057,084

(1) Bears interest payable at either an adjusted SOFR rate or an adjusted base rate, plus an applicable margin. The adjusted SOFR rate was the forward-looking term rate based on SOFR for the applicable tenor of one, three, or six months, plus 0.10% per annum. The adjusted base rate was a fluctuating rate per annum equal to the highest of (i) the administrative agent's prime rate, (ii) the federal funds effective rate plus 0.50%, or (iii) the one-month adjusted SOFR rate plus 1.0%.

(2) Bears interest payable quarterly at a fixed rate of 6.00% per annum for two years and thereafter, at a rate that is the higher of (x) 5.00% and (y) the reference rate specified in the 2023 and 2024 Oman Facility plus 1.75%

The principal amount and maturities of our long-term debt as of September 30, 2026 are summarized in the table below (in thousands):

Fiscal Year		Amount
2027	$	6,859
2028		356,859
2029		8,577
2030		360,862
2031		561,432
Thereafter		581,432
Total	$	1,876,021

Senior Notes Issued in Fiscal Year 2024

On September 17, 2024, we completed a private offering of $1.25 billion aggregate principal amount of senior notes, comprised of the following tranches (collectively, the “Notes”): $350.0 million aggregate principal amount of 4.65% senior notes due 2027 issued at a price equal to 99.958% of their face value, $350.0 million aggregate principal amount of 4.85% senior notes due 2029 issued at a price equal to 99.883% of their face value and $550.0 million aggregate principal amount of 5.50% senior notes due 2034 issued at a price equal to 99.670% of their face value. Interest on the Notes is payable semi-annually on June 1 and December 1 of each year, commencing on June 1, 2025.

On January 16, 2025, H&P completed the Acquisition, and the Company used the net proceeds of the Notes, together with the proceeds of its term loan credit agreement (discussed below) and cash on hand, to finance the purchase price for the Acquisition, to repay or redeem certain of KCA Deutag’s outstanding indebtedness, and to pay related fees and expenses. For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination.

In connection with the issuance of the Notes, the Company also entered into a registration rights agreement, dated as of September 17, 2024 (the "Registration Rights Agreement"), with the initial purchasers of the Notes named therein. Under the Registration Rights Agreement, the Company agreed, among other things, to use commercially reasonable efforts to file with the SEC, and cause to be declared effective, a registration statement with respect to an offer to exchange each series of the Notes for freely tradable notes (“Registered Notes”) having terms identical in all material respects to each such series of Notes (the “Registered Exchange Offer”). Accordingly, on May 15, 2025, the Company filed a registration statement on Form S-4 with the SEC, which was declared effective on May 28, 2025. On May 28, 2025, the Company launched the Registered Exchange Offer, which expired on July 10, 2025. Substantially all of the Notes were tendered and exchanged for Registered Notes in the Exchange Offer.

The indenture governing the Notes contains certain covenants that, among other things, limit the ability of the Company and its subsidiaries to incur certain liens; engage in sale and lease-back transactions; and consolidate, merge or transfer all or substantially all of the assets of the Company. The indenture governing the Notes also contains customary events of default with respect to the Notes.

Senior Notes Issued in Fiscal Year 2021

On September 29, 2021, we issued $550.0 million aggregate principal amount of the 2.90% senior notes due 2031 (the "2031 Notes") in an offering to persons reasonably believed to be qualified institutional buyers in the United States pursuant to Rule 144A under the Securities Act as amended (the "Securities Act") and to certain non-U.S. persons in transactions outside the United States pursuant to Regulation S under the Securities Act. Interest on the 2031 Notes is payable semi-annually on March 29 and September 29 of each year, commencing on March 29, 2022.

In June 2022, we settled a registered exchange offer (the “2022 Registered Exchange Offer”) to exchange the 2031 Notes for new, SEC-registered notes that are substantially identical to the terms of the 2031 Notes, except that the offer and issuance of the new notes have been registered under the Securities Act and certain transfer restrictions, registration rights and additional interest provisions relating to the 2031 Notes do not apply to the new notes. All of the 2031 Notes were exchanged in the 2022 Registered Exchange Offer.

The indenture governing the 2031 Notes contains certain covenants that, among other things and subject to certain exceptions, limit the ability of the Company and its subsidiaries to incur certain liens; engage in sale and lease-back transactions; and consolidate, merge or transfer all or substantially all of the assets of the Company. The indenture governing the 2031 Notes also contains customary events of default with respect to the 2031 Notes.

Term Loan Credit Agreement

On August 14, 2024, the Company entered into an unsecured term loan credit agreement (the "Term Loan Credit Agreement"), among the Company, Morgan Stanley Senior Funding, Inc. (“MSSF”), as administrative agent, and the other lenders party thereto. On the Closing Date, the Company drew an aggregate principal amount of $400.0 million under the Term Loan Credit Agreement for purposes of financing the Acquisition. The Term Loan Credit Agreement matures at the two-year anniversary of the funding of the term loan unless earlier terminated pursuant to the terms of the Term Loan Credit Agreement. On January 16, 2025, H&P completed the Acquisition, and the Company used the proceeds from the Term Loan Credit Agreement, together with the net proceeds from the Notes, and cash on hand, to finance the purchase price for the Acquisition, to repay or redeem certain of KCA Deutag's outstanding indebtedness, and to pay related fees and expenses. For additional information regarding the completion of the Acquisition, refer to Note 3—Business Combination. During the fiscal year ended September 30, 2026, the Company repaid $200.0 million of the outstanding balance on the Term Loan Credit Agreement. As a result of the repayments, no amounts remain outstanding under the Term Loan Credit Agreement.

The benchmark rate was the Secured Overnight Financing Rate ("SOFR"). We could elect to borrow at either an adjusted SOFR rate or an adjusted base rate, plus an applicable margin. The adjusted SOFR rate was the forward-looking term rate based on SOFR for the applicable tenor of one, three, or six months, plus 0.10% per annum. The adjusted base rate was a fluctuating rate per annum equal to the highest of (i) the administrative agent's prime rate, (ii) the federal funds effective rate plus 0.50%, or (iii) the one-month adjusted SOFR rate plus 1.0%. We also paid a commitment fee on the unused balance of the facility. Borrowing spreads as well as commitment fees were determined based on the debt rating for senior unsecured debt of the Company, as determined by Moody’s and Standard & Poor’s. The applicable margin for SOFR borrowings and adjusted base rate borrowings ranged from 1.0% to 1.625% per annum and zero to 0.625% per annum, respectively. Commitment fees for both rates ranged from 0.10% to 0.250% per annum. The weighted average variable interest rate on borrowings outstanding under the Term Loan Credit Agreement during the year ended September 30, 2026, prior to repayment in full, was 5.329%.

Bridge Loan Facility

In connection with, and concurrently with the entry into, the Purchase Agreement, the Company entered into a debt commitment letter dated July 25, 2024 with MSSF, pursuant to which MSSF committed, subject to satisfaction of standard conditions, to provide the Company with an unsecured 364-day bridge loan facility in an aggregate principal amount of approximately $2.0 billion (the “Bridge Loan Facility”) the proceeds of which, if drawn, would have been used to fund the Acquisition. In connection with the Bridge Loan Facility, the Company incurred approximately $10.6 million in commitment fees during the fiscal year ended September 30, 2024. Due to the execution of the other financing arrangements discussed above, the commitments under the Bridge Loan Facility were reduced to $335.3 million as of September 30, 2024. As a result, we recognized approximately $9.2 million of commitment fees recorded within Interest expense on the Consolidated Statement of Operations during fiscal year 2024. On October 15, 2024, the remaining commitments under the Bridge Loan Facility were reduced such that there were no remaining commitments available, and the Bridge Loan Facility was automatically terminated in accordance with its terms. Upon termination of the facility, we recognized the remaining $1.4 million of commitment fees within Interest expense on the Consolidated Statement of Operations during the fiscal year ended September 30, 2025.

2024 Oman Facility

The 2024 Oman Facility provides for term loan borrowings of $45.5 million, which was originally fully drawn, but subsequently reduced by quarterly debt repayments. These secured bank loans are wholly denominated in Omani rial. The original principal value of these borrowings in Omani rial was OMR 17.6 million. The commitments under the 2024 Oman Facility mature December 31, 2034.

During the fiscal year ended September 30, 2025, our 2024 Oman Facility was amended to bear interest payable quarterly at a fixed rate of 6.00% per annum for two years and thereafter, at a rate that is the higher of (x) 5.00% and (y) the reference rate specified in the 2024 Oman Facility plus 1.75%. During the fiscal year ended September 30, 2026, the Company repaid $3.4 million of the outstanding balance on the facility. Of the $39.7 million borrowings outstanding at September 30, 2026, a total of $3.4 million is payable within one year.

There is an annual financial covenant in the 2024 Oman Facility that requires KCAD Energy to maintain a debt service coverage ratio of at least 1.20:1.00. The 2024 Oman Facility and related agreements contain additional terms, conditions, restrictions and covenants that we believe are usual and customary in secured debt arrangements for companies of similar size and credit quality.

2023 Oman Facility

The 2023 Oman Facility provides for term loan borrowings of $45.6 million, which was originally fully drawn, but subsequently reduced by quarterly debt repayments. These secured bank loans are wholly denominated in Omani rial. The original principal value of these borrowings in Omani rial is OMR 17.6 million. The commitments under the 2023 Oman Facility mature December 31, 2033.

During the fiscal year ended September 30, 2025, our 2023 Oman Facility was amended to bear interest payable quarterly at a fixed rate of 6.00% per annum for two years and thereafter, at a rate that is the higher of (x) 5.00% and (y) the reference rate specified in the 2023 Oman Facility plus 1.75%. During the fiscal year ended September 30, 2026, the Company repaid $3.4 million of the outstanding balance on the facility. Of the $36.4 million borrowings outstanding at September 30, 2026, a total of $3.4 million is payable within one year.

There is an annual financial covenant in the 2023 Oman Facility that requires KCAD Energy to maintain a debt service coverage ratio of at least 1.20:1.00. The 2023 Oman Facility and related agreements contain additional terms, conditions, restrictions and covenants that we believe are usual and customary in secured debt arrangements for companies of similar size and credit quality.

Amended Credit Facility

On August 14, 2024, the Company entered into an Amended and Restated Credit Agreement (the "Amended Credit Facility") with the lenders party thereto (the "Revolving Credit Agreement Lenders"), the issuing lenders party thereto and Wells Fargo ("Wells Fargo") as administrative agent, swingline lender and issuing lender, which amended and restated the Credit Agreement, dated as of November 13, 2018 (as amended through Amendment No. 2 to the Credit Agreement dated as of March 8, 2022, the “Existing Credit Agreement”), among the Company, the lenders party thereto and Wells Fargo, as administrative agent, swingline lender and issuing lender.

Under the terms of the Amended Credit Facility, the Company may obtain unsecured revolving loans in an aggregate principal amount not to exceed $950.0 million outstanding at any time. $775.0 million of the revolving commitments under the Amended Credit Facility expire on November 12, 2028 and $175.0 million of the revolving commitments mature on November 10, 2027 (the “Stated Maturity Date”), but the Company may request two one-year extensions of the Stated Maturity Date, subject to satisfaction of certain conditions. Commitments under the Amended Credit Facility may be increased by up to $100.0 million, subject to the agreement of the Company and new or existing Revolving Credit Agreement Lenders.

The proceeds of the loans made under the Amended Credit Facility may be used by the Company for (i) working capital and other general corporate purposes, (ii) for the payment of fees and expenses related to the entering into of the Amended Credit Facility and the other credit documents and (iii) for the refinancing of the extensions of credit under the Existing Credit Agreement.

The benchmark rate is the SOFR. We can elect to borrow at either an adjusted SOFR rate or an adjusted base rate, plus an applicable margin. The adjusted SOFR rate is the forward-looking term rate based on SOFR for the applicable tenor of one, three, or six months, plus 0.10% per annum. The adjusted base rate is a fluctuating rate per annum equal to the highest of (i) the administrative agent's prime rate, (ii) the federal funds effective rate plus 0.50%, or (iii) the one-month adjusted SOFR rate plus 1.0%. We also pay a commitment fee on the unused balance of the facility. Borrowing spreads as well as commitment fees are determined based on the debt rating for senior unsecured debt of the Company, as determined by Moody’s and Standard & Poor’s. The applicable margin for SOFR borrowings and adjusted base rate borrowings ranges from 0.875% to 1.500% per annum and zero to 0.50% per annum, respectively. Commitment fees for both rates range from 0.075% to 0.200% per annum. Based on the unsecured debt rating of the Company on September 30, 2026, the spread over SOFR would have been 1.250% had borrowings been outstanding under the Amended Credit Facility and commitment fees would have been 0.150%. There is a financial covenant in the Amended Credit Facility that requires us to maintain a total funded debt to total capitalization ratio of less than or equal to 55.0%. The Amended Credit Facility contains additional terms, conditions, restrictions and covenants that we believe are usual and customary in unsecured debt arrangements for companies of similar size and credit quality, including a limitation that priority debt (as defined in the credit agreement) may not exceed 17.5% of the net worth of the Company. As of September 30, 2026, there were no borrowings or letters of credit outstanding, leaving $950.0 million available to borrow under the Amended Credit Facility.

As of September 30, 2026, we had $420.0 million in uncommitted bilateral credit facilities, for the purpose of obtaining the issuance of international letters of credit, bank guarantees, and performance bonds. Of the $420.0 million, $248.0 million was outstanding as of September 30, 2026.

The applicable agreements for all unsecured debt contain additional terms, conditions and restrictions that we believe are usual and customary in unsecured debt arrangements for companies that are similar in size and credit quality.

At September 30, 2026, we were in compliance with all debt covenants.

NOTE 8 INCOME TAXES

Income Tax Provision and Rate

The components of the provision for income taxes are as follows:

	Year Ended September 30,		
(in thousands)	2026	2025	2024
Current:			
Federal	$ 128,207	$ 114,973	$ 136,110
Foreign	43,439	35,588	7,756
State	12,906	13,935	16,180
	184,552	164,496	160,046
Deferred:			
Federal	(42,665)	(44,564)	(18,785)
Foreign	(112,073)	(30,174)	(2,102)
State	(3,903)	(3,923)	(2,304)
	(158,641)	(78,661)	(23,191)
Total provision	$ 25,911	$ 85,835	$ 136,855

The amounts of domestic and foreign income (loss) before income taxes are as follows:

	Year Ended September 30,		
(in thousands)	2026	2025	2024
Domestic	$ 291,012	$ 339,966	$ 433,553
Foreign	(824,138)	(414,079)	47,467
	$ (533,126)	$ (74,113)	$ 481,020

Effective September 30, 2026, the Company adopted ASU 2023-09, Income Taxes: Improvements to Income Tax Disclosures, on a prospective basis. Accordingly, the enhanced disaggregation requirements related to the effective income tax rate reconciliation and income taxes paid have been applied to fiscal year 2026. Prior-year information continues to be presented in accordance with the disclosure requirements in effect for those periods.

The reconciliation of our effective income tax rates to the U.S. Federal income tax rate is as follows:

(in thousands, except effective tax rates)	Year Ended September 30, 2026	
U.S. Federal statutory rate	$ (111,956)	21.0 %
State and local income tax, net of federal income tax[1]	6,293	(1.2)
Foreign tax effects		
Algeria	6,911	(1.3)
Oman		
Valuation allowance	5,768	(1.1)
Other	4,568	(0.9)
Saudi Arabia		
Statutory tax rate differential	5,980	(1.1)
Valuation allowance	33,786	(6.3)
Other	776	(0.1)
United Kingdom		
Statutory tax rate differential	(6,552)	1.2
Valuation allowance	46,711	(8.8)
Other	1,704	(0.3)
Other foreign jurisdictions	11,970	(2.2)
Effect of cross-border tax laws	4,674	(0.9)
Tax credits	(2,102)	0.4
Changes in valuation allowances	449	(0.1)
Nontaxable or nondeductible items	16,796	(3.2)
Changes in unrecognized tax benefits	2,547	(0.5)
Other	(2,412)	0.5
Effective income tax rate	$ 25,911	(4.9)%

(1) The state and local income tax effect is primarily (greater than 50%) attributable to New Mexico for the year ended September 30, 2026.

	Year Ended September 30,	
	2025	2024
U.S. Federal income tax rate	21.0 %	21.0 %
Effect of foreign taxes	(54.6)	1.3
State income taxes, net of federal tax benefit	(9.6)	2.2
Other impact of foreign operations	(15.8)	1.7
Non-deductible meals and entertainment	(5.6)	0.9
Equity compensation	(0.6)	(0.1)
Excess officer's compensation	(4.8)	0.8
Goodwill impairment	(54.6)	—
Other	8.8	0.7
Effective income tax rate	(115.8)%	28.5 %

Income Taxes Paid

The following table presents income taxes paid (net of refunds received):

(in thousands)	September 30, 2026
US Federal	$ 96,983
US State and local	13,688
Foreign	
Argentina	16,625
Azerbaijan	9,667
Norway	10,060
Other	17,105
Total foreign	53,457
Total income taxes paid (net of refunds received)	164,128

Deferred Taxes

Deferred income taxes are provided for the temporary differences between the financial reporting basis and the tax basis of our assets and liabilities. Recoverability of any tax assets are evaluated and necessary valuation allowances are provided. The carrying value of the net deferred tax assets is based on management's judgments using certain estimates and assumptions that we will be able to generate sufficient future taxable income in certain tax jurisdictions to realize the benefits of such assets. If these estimates and related assumptions change in the future, additional valuation allowances may be recorded against the deferred tax assets resulting in additional income tax.

The components of our net deferred tax liabilities are as follows:

	September 30,	
(in thousands)	2026	2025
Deferred tax liabilities:		
Property, plant and equipment	$ 543,776	$ 590,133
Lease assets	12,953	26,606
Other	36,665	22,888
Total deferred tax liabilities	593,394	639,627
Deferred tax assets:		
Property, plant and equipment	176,021	—
Pension reserves	11,037	11,889
Marketable securities	—	8,517
Self-insurance reserves	—	4,909
Net operating loss and other tax carryforwards	358,752	301,813
Accrued liabilities	51,465	42,389
Lease liability	11,736	29,443
Other	29,011	35,307
Total deferred tax assets	638,022	434,267
Valuation allowance	(510,153)	(418,640)
Net deferred tax assets	127,869	15,627
Net deferred tax liabilities	$ 465,525	$ 624,000

The change in our net deferred tax assets and liabilities is impacted by foreign currency remeasurement.

As of September 30, 2026, we had federal, state and foreign tax net operating loss carryforwards of approximately $68.0 million, $43.7 million and $562.9 million, respectively, and foreign interest expense carryforward of $203.4 million, which will expire in fiscal 2026 through 2044 and some of which can be carried forward indefinitely. Certain of these carryforwards are subject to various rules which impose limitations on their utilization. The valuation allowance is primarily attributable to the foreign interest expense limitation carryforward of $203.4 million, unrecognized foreign deferred net tax assets of $166.4 million, foreign net operating loss carryforwards of $134.1 million and equity compensation of $6.2 million which more likely than not will not be recognized.

Unrecognized Tax Benefits

We recognize accrued interest related to unrecognized tax benefits in interest expense, and penalties in other expense in the Consolidated Statements of Operations. As of September 30, 2026 and 2025, accrued interest and penalties were $3.4 million, compared to $0.6 million as of September 30, 2024. A reconciliation of the change in our gross unrecognized tax benefits are as follows:

(in thousands)	2026	2025	2024
Unrecognized tax benefits at October 1,	$ 20,519	$ 156	$ 247
Gross increases - tax positions in prior periods	2,764	—	—
Gross decreases - tax positions in prior periods	(1,124)	—	—
Gross decreases - current period effect of tax positions	—	(1)	(14)
Gross increases - current period effect of tax positions[1]	—	20,485	—
Expiration of statute of limitations for assessments	(96)	(121)	(77)
Settlements	(10,330)	—	—
Unrecognized tax benefits at September 30,	$ 11,733	$ 20,519	$ 156

(1) Gross increases - current period effect of tax positions for the year ended September 30, 2025 are related to the acquisition of KCA Deutag.

As of September 30, 2026, we have recorded approximately $15.1 million of unrecognized tax benefits, interest, and penalties.

Tax Returns

We file a consolidated U.S. federal income tax return, as well as income tax returns in various state and foreign jurisdictions. Our U.S. federal and state income tax returns for fiscal years 2021 through 2025 generally remain open to examination. Our fiscal 2023 U.S. federal income tax return is currently under examination, with no assessments proposed to date. Our foreign income tax returns for fiscal years 2015 through 2025 generally remain open to examination.

NOTE 9 SHAREHOLDERS' EQUITY

The Company has an evergreen authorization from the Board of Directors for the repurchase of up to four million common shares in any calendar year. The repurchases may be made using our cash and cash equivalents or other available sources and are held as treasury shares on our Consolidated Balance Sheets. We did not make any share repurchases during the fiscal years ended September 30, 2026 and 2025. During the fiscal year ended September 30, 2024, we repurchased 1.4 million common shares at an aggregate cost of $51.6 million, including excise tax of $0.3 million.

A cash dividend of $0.25 per share was declared on September 16, 2026 for shareholders of record on November 18, 2026, payable on December 2, 2026. As a result, we recorded a Dividend Payable of $25.4 million on our Consolidated Balance Sheets as of September 30, 2026.

Accumulated Other Comprehensive Income (Loss)

Components of accumulated other comprehensive income (loss) were as follows:

(in thousands)	September 30, 2026	2025	2024
Pre-tax amounts:			
Unrealized pension actuarial gain (loss) on defined benefit pension plans	$ 13,491	$ 3,336	$ (7,632)
Unrealized gain (loss) on available-for-sale debt security	—	383	(662)
Unrealized gain on foreign currency translation adjustment	35,659	45,682	—
	$ 49,150	$ 49,401	$ (8,294)
After-tax amounts:			
Unrealized pension actuarial gain (loss) on defined benefit pension plans	$ 14,161	$ 4,470	$ (5,838)
Unrealized gain (loss) on available-for-sale debt security	—	296	(512)
Unrealized gain on foreign currency translation adjustment	35,608	40,198	—
	$ 49,769	$ 44,964	$ (6,350)

The following is a summary of the changes in accumulated other comprehensive income, net of tax, for the fiscal year ended September 30, 2026:

(in thousands)	Unrealized Gain on Available-for-Sale Securities	Defined Benefit Pension Plan	Foreign Currency Translation Adjustment	Total
Balance at September 30, 2025	$ 296	$ 4,470	$ 40,198	$ 44,964
Activity during the period				
Other comprehensive income before reclassifications	—	—	(4,590)	(4,590)
Amounts reclassified from accumulated other comprehensive income	(296)	9,691	—	9,395
Net current-period other comprehensive income	(296)	9,691	(4,590)	4,805
Balance at September 30, 2026	$ —	$ 14,161	$ 35,608	$ 49,769

NOTE 10 REVENUE FROM CONTRACTS WITH CUSTOMERS

Drilling Services Revenue

The majority of our drilling services are performed on a “daywork” contract basis, under which we charge a rate per day, with the price determined by the location, depth and complexity of the well to be drilled, operating conditions, the duration of the contract, and the competitive forces of the market. These drilling services, including our technology solutions, represent a series of distinct daily services that are substantially the same, with the same pattern of transfer to the customer. Because our customers benefit equally throughout the service period and our efforts in providing drilling services are incurred relatively evenly over the period of performance, revenue is recognized over time using a time-based input measure as we provide services to the customer. For any contracts that include a provision for pooled term days at contract inception, followed by the assignment of days to specific rigs throughout the contract term, we have elected, as a practical expedient, to recognize revenue in the amount for which the entity has a right to invoice, as permitted by ASC 606.

Performance-based contracts are contracts pursuant to which we are compensated partly based upon our performance against a mutually agreed upon set of predetermined targets. These types of contracts typically have a lower base dayrate, but give us the opportunity to receive additional compensation by meeting or exceeding certain performance targets agreed to by our customers. The variable consideration that we expect to receive is estimated at the most likely amount, and constrained to an amount such that it is probable a significant reversal of revenue previously recognized will not occur based on the performance targets. Total revenue recognized from performance contracts, including performance bonuses, was $1.2 billion during the fiscal year ended September 30, 2026, 2025 and 2024, respectively, of which, $59.2 million, $65.5 million and $56.6 million was related to performance bonuses recognized due to the achievement of performance targets during the fiscal years ended September 30, 2026, 2025 and 2024, respectively.

Contracts generally contain renewal or extension provisions exercisable at the option of the customer at prices mutually agreeable to us and the customer. For contracts that are terminated by customers prior to the expirations of their fixed terms, contractual provisions customarily require early termination amounts to be paid to us. Revenues from early terminated contracts are recognized when all contractual requirements have been met. During the fiscal years ended September 30, 2026, 2025 and 2024, early termination revenue associated with term contracts was $4.9 million, $2.3 million and $13.4 million, respectively.

We also act as a principal for certain reimbursable services and auxiliary equipment provided by us to our clients, primarily related to rig move trucking services, for which we incur costs and earn revenues. Many of these costs are variable, or dependent upon the activity that is performed each day under the related contract. Accordingly, reimbursements that we receive for out-of-pocket expenses are recorded as revenues and the out-of-pocket expenses for which they relate are recorded as operating costs during the period to which they relate within the series of distinct time increments. All of our revenues are recognized net of sales taxes, when applicable.

With most drilling contracts, we also receive payments contractually designated for the mobilization and demobilization of drilling rigs and other equipment to and from the client's drill site. Revenue associated with the mobilization and demobilization of our drilling rigs to and from the client's drill site do not relate to a distinct good or service. These revenues are deferred and recognized ratably over the related contract term that drilling services are provided.

Demobilization fees expected to be received upon contract completion are estimated at contract inception and recognized on a straight-line basis over the contract term. The amount of demobilization revenue that we ultimately collect is dependent upon the specific contractual terms, most of which include provisions for reduced or no payment for demobilization when, among other things, the contract is renewed or extended with the same client, or when the rig is subsequently contracted with another client prior to the termination of the current contract. Since revenues associated with demobilization activity are typically variable, at each period end, they are estimated at the most likely amount, and constrained to an amount such that it is probable a significant reversal of revenue previously recognized will not occur. Any change in the expected amount of demobilization revenue is accounted for with the net cumulative impact of the change in estimate recognized in the period during which the revenue estimate is revised.

Contract Costs

Mobilization costs include certain direct costs incurred for mobilization of contracted rigs. These costs relate directly to a contract, enhance resources that will be used in satisfying the future performance obligations, and are expected to be recovered. These costs are capitalized when incurred and recorded as current or noncurrent contract fulfillment cost assets (depending on the length of the initial contract term), and are amortized on a systematic basis consistent with the pattern of the transfer of the goods or services to which the asset relates, which typically includes the initial term of the related drilling contract or a period longer than the initial contract term if management anticipates a customer will renew or extend a contract, which we expect to benefit from the cost of mobilizing the rig. Abnormal mobilization costs are fulfillment costs that are incurred from excessive resources, wasted or spoiled materials, and unproductive labor costs that are not otherwise anticipated in the contract price and are expensed as incurred. As of September 30, 2026 and 2025, we capitalized fulfillment costs of $28.0 million and $34.8 million respectively, which is included within Prepaid expenses and Other noncurrent assets on our Consolidated Balance Sheets.

If capital modification costs are incurred for rig modifications or if upgrades are required for a contract, these costs are considered to be capital improvements. These costs are capitalized as property, plant and equipment and depreciated over the estimated useful life of the improvement.

Remaining Performance Obligations

The total aggregate transaction price allocated to the unsatisfied performance obligations related to firm contracts, commonly referred to as backlog, as of September 30, 2026 was approximately $5.7 billion, of which $1.9 billion is expected to be recognized during fiscal year 2027, $1.3 billion in fiscal year 2028, and $2.5 billion in fiscal year 2029 and thereafter. The firm backlog amounts do not include anticipated contract renewals or expected performance bonuses as part of its calculation. Additionally, contracts that currently contain month-to-month terms are represented in our backlog as one month of unsatisfied performance obligations. Our contracts are subject to cancellation or modification at the election of the customer. The early termination of a contract or suspension of operations may result in a rig being idle for an extended period of time and could adversely affect our financial condition, results of operations, and cash flows. Certain contracts within our International Solutions operations permit customers to suspend operations or terminate contracts without significant termination penalties. As a result, backlog associated with these contracts may not be fully realized, and actual revenue earned could vary significantly from reported backlog amounts.

Contract Assets and Liabilities

Amounts owed from our customers under our revenue contracts are typically billed on a monthly basis as the service is being provided and are due within 30 days of billing. Such amounts are classified as accounts receivable on our Consolidated Balance Sheets. Under certain of our contracts, we recognize revenues in excess of billings, referred to as contract assets, within Prepaid expenses and Other current assets within our Consolidated Balance Sheets.

In some instances, we may be entitled to receive payments in advance of satisfying our performance obligations under the contract. We recognize a liability for these payments in excess of revenue recognized, referred to as deferred revenue or contract liabilities, within Accrued liabilities and Other noncurrent liabilities in our Consolidated Balance Sheets. Contract balances are presented at the net amount at a contract level.

The following table summarizes the balances of our contract assets (net of allowance for estimated credit losses) and liabilities at the dates indicated:

(in thousands)	September 30, 2026	September 30, 2025
Contract assets, net	$ 10,097	$ 10,971

(in thousands)	
Contract liabilities balance at September 30, 2024	$ 29,052
Acquisition of KCA Deutag[1]	22,982
Payment received/accrued and deferred	104,463
Revenue recognized during the period	(75,284)
Contract liabilities balance at September 30, 2025	81,213
Payment received/accrued and deferred	128,704
Revenue recognized during the period	(108,187)
Liabilities reclassified as held-for-sale	$ (3,724)
Contract liabilities balance at September 30, 2026	$ 98,006

(1) Contract liabilities acquired in the KCA Deutag Acquisition were measured under ASC 606 at the Acquisition Date. Refer to Note 3—Business Combination for additional information regarding the Acquisition.

NOTE 11 STOCK-BASED COMPENSATION

The Helmerich & Payne, Inc. Amended and Restated 2024 Omnibus Incentive Plan (the "A&R 2024 Plan") approved by our stockholders is a stock and cash-based incentive plan that, among other things, authorizes the Board or Human Resources Committee of the Board to grant executive officers, employees and non-employee directors stock options, stock appreciation rights, restricted shares and restricted share units (including performance share units), share bonuses, other share-based awards and cash awards. Restricted stock may be granted for no consideration other than prior and future services. The purchase price per share for stock options may not be less than market price of the underlying stock on the date of grant. Stock options expire ten years after the grant date. The A&R 2024 Plan governs all of our stock-based awards granted on or after March 4, 2026. Awards outstanding under the Helmerich & Payne, Inc. 2016 Omnibus Incentive Plan and the Helmerich & Payne, Inc. Amended and Restated 2020 Omnibus Incentive Plan, and the 2024 Omnibus Incentive Plan remain subject to the terms and conditions of those plans. Beginning with fiscal year 2019, we replaced stock options with performance share units as a component of our executives' long-term equity incentive compensation. As a result, no stock options were granted after the 2018 fiscal year. We have also eliminated stock options as an element of our non-employee director compensation program. At September 30, 2026, we had 785,195 outstanding exercisable stock options with a weighted-average exercise price of $65.79.

During the fiscal year ended September 30, 2026, 1,090,148 shares of restricted stock awards and 182,456 performance share units were granted under the A&R 2024 Plan.

A summary of compensation cost for stock-based payment arrangements recognized in Drilling services operating expense, Research and development expense, Selling, general and administrative expense, and Restructuring charges on our Consolidated Statements of Operations is as follows:

	September 30,		
(in thousands)	2026	2025	2024
Stock-based compensation expense			
Drilling services operating	$ 6,394	$ 6,555	$ 5,904
Research and development	1,639	1,816	2,033
Selling, general and administrative	29,312	22,497	23,261
Restructuring charges	—	726	—
	$ 37,345	$ 31,594	$ 31,198

We recognized income tax benefits related to stock-based compensation expense of $8.4 million for the fiscal year ended September 30, 2026 and $7.1 million for each of the fiscal years ended September 30, 2025 and 2024.

Restricted Stock

Restricted stock awards consist of our common stock. Awards granted after September 30, 2020 are time vested over three years. Non-forfeitable dividends are paid on non-vested shares of restricted stock. We recognize compensation expense on a straight-line basis over the vesting period. The fair value of restricted stock awards is determined based on the closing price of our shares on the grant date. As of September 30, 2026, there was $31.0 million of total unrecognized compensation cost related to unvested restricted stock awards. That cost is expected to be recognized over a weighted-average period of 1.8 years.

A summary of the status of our restricted stock awards as of September 30, 2026, and of changes in restricted stock outstanding during the fiscal years ended September 30, 2026, 2025 and 2024, is as follows:

	2026		2025		2024	
(shares in thousands)	Shares[1]	Weighted-Average Grant Date Fair Value per Share	Shares[1]	Weighted-Average Grant Date Fair Value per Share	Shares[1]	Weighted-Average Grant Date Fair Value per Share
Non-vested restricted stock outstanding as of the beginning of period	1,397	$ 34.84	1,361	$ 36.14	1,362	$ 35.11
Granted	1,090	29.73	882	32.96	795	35.44
Vested[2]	(724)	35.61	(739)	34.82	(777)	33.60
Forfeited	(86)	31.10	(107)	36.00	(19)	36.54
Non-vested restricted stock outstanding at September 30,	1,677	$ 31.37	1,397	$ 34.84	1,361	$ 36.14

(1) Restricted stock shares include restricted phantom stock units under our Director Deferred Compensation Plan. These phantom stock units confer the economic benefits of owning company stock without the actual ownership, transfer or issuance of any shares. Phantom stock units are subject to a vesting period of one year from the grant date. During the fiscal years ended September 30, 2026, 2025, and 2024, 10,546, 21,531, and 18,700 restricted phantom stock units were granted, respectively, and 21,531, 18,700 and 12,591 restricted phantom stock units vested, respectively.

(2) The number of restricted stock awards vested includes shares that we withheld on behalf of our employees to satisfy the statutory tax withholding requirements.

Performance Units

We have made awards to certain employees that are subject to market-based performance conditions ("performance units"). Subject to the terms and conditions set forth in the applicable performance share unit award agreements and the A&R 2024 Plan, grants of performance units are subject to a vesting period of three years (the “Vesting Period”) that is dependent on the achievement of certain performance goals. Such performance unit grants consist of two separate components. Performance units that comprise the first component are subject to a three-year performance cycle. Performance units that comprise the second component are further divided into three separate tranches, each of which is subject to a separate one-year performance cycle within the full three-year performance cycle. The vesting of the performance units is generally dependent on (i) the achievement of the Company’s total shareholder return (“TSR”) performance goals relative to the TSR achievement of a peer group of companies (the “Peer Group”) over the applicable performance cycle, and (ii) the continued employment of the recipient of the performance unit award throughout the Vesting Period and (iii) for performance units granted beginning in December 2022, the application of the ROIC Modifier (as defined herein).

Additional performance units are credited based on the amount of cash dividends on our common stock divided by the market value of our common stock on the date such dividend is paid. Such dividend equivalents are subject to the same terms and conditions as the underlying performance units and are settled or forfeited in the same manner and at the same time as the performance units to which they were credited. The vesting of units ranges from zero to 200.0% of the units granted depending on the Company’s TSR relative to the TSR of the Peer Group on the vesting date. Based on the Company's return on invested capital ("ROIC") performance over a full three-year performance cycle, the Human Resources Committee may increase or decrease by 25.0% the number of performance units that otherwise would be paid out solely based on the achievement of relative TSR performance over a full three-year performance cycle (the "ROIC Modifier").

The grant date fair value of performance units was determined through use of the Monte Carlo simulation method. The Monte Carlo simulation method requires the use of highly subjective assumptions. Our key assumptions in the method include the price and the expected volatility of our stock and our self-determined Peer Group companies' stock, risk free rate of return and cross-correlations between the Company and our Peer Group companies. The valuation model assumes dividends are immediately reinvested. As of September 30, 2026, there was $8.3 million of unrecognized compensation cost related to unvested performance units. That cost is expected to be recognized over a weighted-average period of 1.7 years.

A summary of the status of our performance units and changes in non-vested performance units outstanding is presented below:

(in thousands, except per share amounts)	2026 Shares	2026 Weighted-Average Grant Date Fair Value per Share	2025 Shares	2025 Weighted-Average Grant Date Fair Value per Share	2024 Shares	2024 Weighted-Average Grant Date Fair Value per Share
Non-vested performance units outstanding as of the beginning of period	577	$ 41.51	603	$ 38.90	796	$ 34.51
Granted	182	41.77	255	39.15	223	39.86
Vested [1]	(28)	30.12	(290)	30.12	(303)	29.77
Dividend equivalent rights credited and performance factor adjustment[2]	(153)	47.61	67	31.89	(106)	34.09
Forfeited	(46)	37.28	(58)	43.26	(7)	38.67
Non-vested performance units outstanding September 30,[3]	532	$ 36.77	577	$ 41.51	$ 603	$ 38.90

(1) The number of performance units vested includes units that we withheld on behalf of our employees to satisfy the statutory tax withholding requirements.

(2) At the end of the Vesting Period, recipients receive dividend equivalents, if any, with respect to the number of vested performance units. The vesting of units ranges from zero to 200.0% of the units granted depending on the Company's TSR relative to the TSR of the Peer Group on the vesting date.

(3) Of the total non-vested performance units at the end of the period, specified performance criteria has been achieved with respect to 35,336 performance units which is calculated based on the payout percentage for the completed performance period. The vesting and number of the remainder of non-vested performance units reflected at the end of the period is contingent upon our achievement of specified target performance criteria. If we meet the specified maximum performance criteria, approximately 359,902 additional performance units could vest or become eligible to vest.

The weighted-average fair value calculations for performance units granted within the fiscal period are based on the following weighted-average assumptions set forth in the table below.

	2026	2025	2024
Risk-free interest rate[1]	3.6 %	4.1 %	4.3 %
Expected stock volatility[2]	45.7 %	47.8 %	52.5 %
Expected term (in years)	3	3	3

(1) The risk-free interest rate is based on U.S. Treasury securities for the expected term of the performance units.

(2) Expected volatilities are based on the daily closing price of our stock based upon historical experience over a period which approximates the expected term of the performance units.

NOTE 12 EARNINGS (LOSS) PER COMMON SHARE

ASC 260, Earnings per Share, requires companies to treat unvested share-based payment awards that have non-forfeitable rights to dividends or dividend equivalents as a separate class of securities in calculating earnings per share. We have granted and expect to continue to grant to employees restricted stock grants that contain non-forfeitable rights to dividends. Such grants are considered participating securities under ASC 260. As such, we are required to include these grants in the calculation of our basic earnings per share and calculate basic earnings per share using the two-class method. The two-class method of computing earnings per share is an earnings allocation formula that determines earnings per share for each class of common stock and participating security according to dividends declared (or accumulated) and participation rights in undistributed earnings.

Basic earnings per share is computed utilizing the two-class method and is calculated based on the weighted-average number of common shares outstanding during the periods presented.

Diluted earnings per share is computed using the weighted-average number of common and common equivalent shares outstanding during the periods utilizing the two-class method for stock options, non-vested restricted stock and performance units.

Under the two-class method of calculating earnings per share, dividends paid and a portion of undistributed net income, but not losses, are allocated to unvested restricted stock grants that receive dividends, which are considered participating securities.

The following table sets forth the computation of basic and diluted earnings per share:

	September 30,		
(in thousands, except per share amounts)	2026	2025	2024
Numerator:			
Net income (loss) attributable to common shareholders	$ (569,452)	$ (163,695)	$ 344,165
Adjustment for basic (loss) earnings per share:			
Earnings allocated to unvested shareholders	(1,799)	(1,399)	(4,726)
Numerator for basic earnings (loss) per share	(571,251)	(165,094)	339,439
Adjustment for diluted earnings (loss) per share:			
Effect of reallocating undistributed earnings of unvested shareholders	—	—	5
Numerator for diluted earnings (loss) per share	$ (571,251)	$ (165,094)	$ 339,444
Denominator:			
Denominator for basic earnings (loss) per share - weighted-average shares	99,824	99,272	98,857
Effect of dilutive shares from restricted stock and performance share units	—	—	210
Denominator for diluted earnings (loss) per share - adjusted weighted-average shares	99,824	99,272	99,067
Basic earnings (loss) per common share	$ (5.72)	$ (1.66)	$ 3.43
Diluted earnings (loss) per common share	$ (5.72)	$ (1.66)	$ 3.43

We had a net loss for the fiscal years ended September 30, 2026 and 2025. Accordingly, our diluted loss per share calculation was equivalent to our basic loss per share calculation since diluted loss per share excluded any assumed exercise of equity awards. These were excluded because they were deemed to be anti-dilutive, meaning their inclusion would have reduced the reported net loss per share in the applicable period.

The following potentially dilutive average shares attributable to outstanding equity awards were excluded from the calculation of diluted earnings per share because their inclusion would have been anti-dilutive:

(in thousands, except per share amounts)	2026	2025	2024
Potentially dilutive shares excluded as anti-dilutive	1,383	2,877	2,355
Weighted-average price per share	$ 56.99	$ 52.61	$ 60.28

NOTE 13 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

We have certain assets and liabilities that are required to be measured and disclosed at fair value. Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. We use the following fair value hierarchy established in ASC 820-10 to measure fair value to prioritize the inputs:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity can access at the measurement date.
- Level 2 — Observable inputs, other than quoted prices included in Level 1, such as quoted prices for similar assets or liabilities in active markets; quoted prices for similar assets and liabilities in markets that are not active; or other inputs that are observable or can be corroborated by observable market data.
- Level 3 — Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. Refer to Note 14—Employee Benefit Plans for details on the fair value hierarchy of our pension plan assets.

Fair Value Measurements

The following tables summarize our financial assets and liabilities measured at fair value on a recurring basis and indicate the level in the fair value hierarchy in which we classify the fair value measurement as of the dates indicated below.

	September 30, 2026			
(in thousands)	Fair Value	Level 1	Level 2	Level 3
Assets				
Short-term investments:				
Money market mutual funds	$ 36,133	$ 36,133	$ —	$ —
Corporate debt securities	18,452	—	18,452	—
Total	54,585	36,133	18,452	—
Long-term investments:				
Recurring fair value measurements:				
Equity securities:				
Non-qualified supplemental savings plan	19,162	19,162	—	—
Investment in Tamboran	33,474	33,474	—	—
Debt securities:				
Geothermal debt securities, net	2,000	—	—	2,000
Other debt securities	250	—	—	250
Total	$ 54,886	$ 52,636	$ —	$ 2,250

As of September 30, 2026, our equity security investments in geothermal energy were $9.1 million. These investments are measured at cost, less any impairments. Our other equity security investments totaled $11.0 million, of which $10.4 million was measured at fair value as of September 30, 2026. The remaining $0.6 million were measured at cost, less any impairments.

	September 30, 2025			
(in thousands)	Fair Value	Level 1	Level 2	Level 3
Assets				
Short-term investments:				
Corporate debt securities	$ 21,302	$ —	$ 21,302	$ —
Total	21,302	—	21,302	—
Long-term investments:				
Recurring fair value measurements:				
Equity securities:				
Non-qualified supplemental savings plan	17,662	17,662	—	—
Investment in Tamboran	25,976	25,976	—	—
Other equity securities	1,449	1,449	—	—
Debt securities:				
Investment in Galileo	—	—	—	—
Geothermal debt securities, net	2,000	—	—	2,000
Other debt securities	250	—	—	250
Total	$ 47,337	$ 45,087	$ —	$ 2,250

As of September 30, 2025, our short-term security investments in held to maturity bonds totaled $0.2 million. These investments are measured at cost, less any impairments.

As of September 30, 2025, our equity security investments in geothermal energy and other equity security investments were $14.1 million and $6.7 million, respectively. These investments are measured at cost, less any impairments. Refer to "Nonrecurring Fair Value Measurements" for additional information regarding fair value measurements associated with these investments.

Recurring Fair Value Measurements

Short-term Investments

Short-term investments primarily include securities classified as trading securities. Both realized and unrealized gains and losses on trading securities are included in Other income (expense) in the Consolidated Statements of Operations. These securities are recorded at fair value. Level 1 inputs include money market funds. For these items, quoted current market prices are readily available. Level 2 inputs include corporate bonds measured using broker quotations that utilize observable market inputs.

During the fiscal year ended September 30, 2025, we sold our equity securities of 159.7 million shares in ADNOC Drilling and received net proceeds of approximately $193.3 million and recognized a loss of $12.4 million on our Consolidated Statements of Operations, related to this investment.

Long-term Investments

Equity Securities Our long-term investments include debt and equity securities and assets held in a Non-Qualified Supplemental Savings Plan ("Savings Plan") and are recorded within Investments on our Consolidated Balance Sheets. Our assets that we hold in the Savings Plan are comprised of mutual funds that are measured using Level 1 inputs.

As of September 30, 2026, we owned approximately 1.0 million shares in Tamboran Corp. whose securities are traded on the NYSE and Australian Stock Exchange under the ticker symbol "TBN", representing an ownership interest of approximately 2.9%. We account for this investment under ASC 321 and measure it at fair value, with changes in fair value recognized in earnings. Under the guidance, Topic 820, Fair Value Measurement, this investment is classified as a Level 1 investment based on the quoted stock price which is publicly available. Our investment is classified as a long-term equity investment within Investments on our Consolidated Balance Sheets and measured at fair value with any gains or losses recognized through net income (loss) and recorded within Gain (loss) on investment securities on our Consolidated Statements of Operations. During the fiscal years ended September 30, 2026 and 2025, we recognized gains of $7.5 million and $5.0 million, respectively.

Debt Securities During April 2022, the Company made a $33.0 million cornerstone investment in Galileo Holdco 2 Limited Technologies ("Galileo Holdco 2"), part of the group of companies known as Galileo Technologies (“Galileo”) in the form of notes with an option to convert into common shares of the parent of Galileo Holdco 2.

During the fiscal year ended September 30, 2025, we recorded a $29.6 million loss on our investment in Galileo, due to an allowance for credit loss on the convertible note, driven by heightened liquidity constraints and changes in governance, which led management to conclude that the fair value of the investment was not recoverable. As a result, the investment was fully reserved as of September 30, 2025. The loss was recognized through net income (loss) and recorded within Gain (loss) on investment securities on our Consolidated Statements of Operations. During the fiscal year ended September 30, 2026, we released Galileo from this legal obligation, resulting in the full write-off of the investment.

Nonrecurring Fair Value Measurements

We have certain assets that are subject to measurement at fair value on a nonrecurring basis. For these nonfinancial assets, measurement at fair value in periods subsequent to their initial recognition is applicable if they are determined to be impaired. These assets generally include property, plant and equipment, goodwill, intangible assets, and operating lease right-of-use assets. If measured at fair value in the Consolidated Balance Sheets, these would generally be classified within Level 2 or 3 of the fair value hierarchy. Further details on any changes in valuation of these assets is provided in their respective footnotes.

Equity Securities

We also hold various other equity securities without readily determinable fair values, primarily comprised of geothermal investments. These equity securities are initially measured at cost, less any impairments, and will be marked to fair value once observable changes in identical or similar investments from the same issuer occur. We classify these measurements within Level 3 when significant inputs are unobservable.

The following table reconciles changes in the balance of our equity securities, without readily determinable fair values, including investments that have been marked to fair value on a nonrecurring basis, for the periods presented below:

	Year Ended September 30,	
(in thousands)	2026	2025
Assets at beginning of period	$ 20,861	$ 30,090
Purchases	2,797	2,769
Disposals	—	(27,117)
Sales	(124)	—
Transfer in	—	320
Total gains or (losses):		
Included in earnings	(3,418)	14,799
Assets at end of period	$ 20,116	$ 20,861

During the fiscal year ended September 30, 2025, we liquidated one of our geothermal equity investments for $27.1 million.

The aggregate gains and (losses) included in earnings during the fiscal years ended September 30, 2026 and 2025 were attributable to the changes in fair value of various geothermal equity investments. These gains (losses) are included in Gain (loss) on investment securities on our Consolidated Statements of Operations.

Saudi Arabia long lived asset impairment

The following nonrecurring measurements relate to the impairment of our Saudi Arabia T-Series asset group as of September 30, 2026. The fair value measurements were based on significant unobservable inputs and, accordingly, were classified within Level 3 of the fair value hierarchy. The resulting impairment charges are included in Asset impairment charges in the Consolidated Statements of Operations.

(in thousands)	Fair value	Impairment loss
Property, plant and equipment	$ 122,531	$ 456,799
Customer relationships	13,600	58,008
Inventory	16,169	14,575
	$ 152,300	$ 529,382

The significant assumptions used in the income approach are presented in the table below.:

Measurement and Input	Input used
Income approach — discount rate	11.5%
Income approach — forecast period	15 years
Income approach — annual revenue growth rate	39.3% in Fiscal 2028 16.6% in Fiscal 2029 2.0% in Fiscal 2030 through Fiscal 2041
Income approach — EBITDA margin growth	5.9% in Fiscal 2028 and Fiscal 2029 1.3% in Fiscal 2030 No growth 2031 through Fiscal 2041
Income approach — annual maintenance capital expenditure growth rate	1.5% in Fiscal 2028 11.4% in Fiscal 2029 1.25% in Fiscal 2030 through Fiscal 2041

The discount rate and inputs impacting future cash flows represent significant unobservable inputs used in the fair value measurements. The income approach was based on projected future cash flows over the forecast period and assumptions regarding future revenue growth and related costs. The customer relationship valuation also incorporated assumptions regarding expected customer retention and future economic benefits attributable to the underlying customer relationships, and then was aligned with the total value supported by the income analysis. Changes in these assumptions could have a material impact on the estimated fair values.

Other Financial Instruments

The carrying amount of cash and cash equivalents and restricted cash approximates fair value due to the short-term nature of these items. The majority of cash equivalents are invested in highly liquid money-market mutual funds invested primarily in direct or indirect obligations of the U.S. Government and in federally insured deposit accounts. The carrying value of accounts receivable, other current and noncurrent assets, accounts payable, accrued liabilities and other liabilities approximated fair value at September 30, 2026 and September 30, 2025.

The fair values of the long-term fixed-rate debt are based on broker quotes at September 30, 2026 and September 30, 2025. The unsecured senior notes and unsecured term loan agreement are classified within Level 2 of the fair value hierarchy as they are not actively traded in markets. The secured term loan agreements are classified within Level 3 of the fair value hierarchy due to the use of significant unobservable inputs in estimating fair value. The fair value of the secured term loan agreements approximates their carrying amount as the agreements bear interest at rates that are periodically adjusted based on prevailing market conditions. As of September 30, 2026 and September 30, 2025, the estimated fair value approximated the carrying amount.

The following information presents the supplemental fair value information for our long-term fixed-rate debt, net at September 30, 2026 and September 30, 2025:

(in thousands)	Carrying Value at September 30, 2026	Fair Value at September 30, 2026 Using Inputs Considered as: Level 1	Level 2	Level 3
Unsecured senior notes:				
2027 Notes	$ 348,709	$ —	$ 347,491	$ —
2029 Notes	347,348	—	341,730	—
2031 Notes	546,938	—	474,678	—
2034 Notes	543,778	—	514,756	—
Secured term loan credit agreements:				
2023 Oman Facility	32,139	—	—	32,139
2024 Oman Facility	35,435	—	—	35,435
Total long-term debt, net of current portion	$ 1,854,347	$ —	$ 1,678,655	$ 67,574

(in thousands)	Carrying Value at September 30, 2025	Fair Value at September 30, 2025 Using Inputs Considered as: Level 1	Level 2	Level 3
Unsecured senior notes:				
2027 Notes	$ 347,674	$ —	$ 352,261	$ —
2029 Notes	346,602	—	348,688	—
2031 Notes	546,336	—	486,343	—
2034 Notes	543,197	—	538,417	—
Unsecured term loan credit agreement:				
2027 Term Loan	199,020	—	201,292	—
Secured term loan credit agreements:				
2033 Oman Facility	35,466	—	—	35,466
2034 Oman Facility	38,789	—	—	38,789
Total long-term debt	$ 2,057,084	$ —	$ 1,927,001	$ 74,255

NOTE 14 EMPLOYEE BENEFIT PLANS

U.S. Pension Plan

We maintain a domestic noncontributory defined benefit pension plan covering certain U.S. employees who meet certain age and service requirements. In July 2003, we revised the Helmerich & Payne, Inc. Employee Retirement Plan (“U.S. Plan”) to close the plan to new participants effective October 1, 2003, and to reduce benefit accruals for existing participants through September 30, 2006. On that date, all benefit accruals were discontinued and the plan was frozen.

The following table presents a reconciliation of the pension benefit obligation and the fair value of U.S. Plan assets for the fiscal years ended September 30, 2026 and 2025, and the funded status of the U.S. Plan as of such dates:

	September 30,	
(in thousands)	2026	2025
Accumulated benefit obligation	$ 44,104	$ 50,127
Changes in projected benefit obligations:		
Projected benefit obligation at beginning of year	50,127	57,154
Interest cost	2,510	2,584
Actuarial gain	(4,413)	(3,404)
Benefits paid	(4,120)	(6,207)
Projected benefit obligation at end of year	$ 44,104	$ 50,127
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 48,550	$ 53,521
Actual return on plan assets	(1,837)	1,236
Benefits paid	(4,120)	(6,207)
Fair value of plan assets at end of year	$ 42,593	$ 48,550
Funded status of the plan at end of year	$ (1,511)	$ (1,577)

Fluctuations in actuarial gains and losses during the period are primarily due to changes in the discount rate and investment returns. The mortality table issued by the Society of Actuaries in October 2021 was used for the September 30, 2026 pension calculation. The U.S. Plan's net pension liability at September 30, 2026 and 2025 was $1.5 million and $1.6 million, respectively. These liabilities are recorded within Retirement benefit obligation in our Consolidated Balance Sheets.

The U.S. Plan's net actuarial loss recognized in Accumulated other comprehensive income (loss) at September 30, 2026 and 2025, and not yet reflected in net periodic benefit cost, was $4.3 million and $4.7 million, respectively. Unrecognized actuarial gains and losses above 10% of the greater of the opening projected benefit obligation or opening market-related value of the assets, are amortized to the extent of the excess on a straight-line basis over the average remaining service years of participants. Amortization is not carried from year-to-year as the calculation resets each year.

The following weighted average assumptions were used in the U.S. Plan's calculation:

	September 30,		
	2026	2025	2024
Discount rate for net periodic benefit costs	5.21 %	4.84 %	5.77 %
Discount rate for year-end obligations	6.39 %	5.21 %	4.84 %
Expected return on plan assets	5.15 %	4.40 %	4.40 %

We did not make any voluntary contributions to the U.S. Plan in fiscal year 2026 or 2025; however, we made voluntary contributions of $6.0 million in fiscal year 2024. In fiscal year 2027, we do not expect minimum contributions required by law to be needed. However, we may make contributions in fiscal year 2027 if needed to fund unexpected distributions in lieu of liquidating pension assets.

Components of the net periodic pension expense were as follows:

	Year Ended September 30,		
(in thousands)	2026	2025	2024
Interest cost	$ 2,510	$ 2,584	$ 3,009
Expected return on plan assets[1]	(2,388)	(2,220)	(2,080)
Recognized net actuarial loss	—	190	612
Settlement expense	251	442	—
Net pension expense	$ 373	$ 996	$ 1,541

(1) The Company uses the fair value of plan assets in determining the expected return on plan assets.

The following table reflects the expected benefits to be paid from the U.S. Plan in each of the next five fiscal years, and in the aggregate for the five years thereafter (in thousands):

Year Ended September 30,						
2027	2028	2029	2030	2031	2032-2036	Total
$ 4,567	$ 4,615	$ 3,615	$ 4,404	$ 3,816	$ 19,233	$ 40,250

Our investment policy and strategies are established with a long-term view in mind. The investment strategy is intended to help pay the cost of the U.S Plan while providing adequate security to meet the benefits promised under the U.S. Plan. We maintain a diversified asset mix to minimize the risk of a material loss to the portfolio value that might occur from devaluation of any single investment. In determining the appropriate asset mix, our financial strength and ability to fund potential shortfalls are considered. Pension Plan assets are invested in portfolios of diversified public-market equity securities and fixed income securities. The U.S. Plan does not directly hold securities of the Company.

The expected long-term rate of return on U.S. Plan assets is based on historical and projected rates of return for current and planned asset classes in the U.S. Plan's investment portfolio after analyzing historical experience and future expectations of the return and volatility of various asset classes.

For our U.S. Plan, we maintain a glide-path investment strategy intended to reduce pension risk as funded levels are achieved and to align fixed income exposure with pension liabilities. The target allocation for fiscal year 2027 and the asset allocation at the end of fiscal years 2026 and 2025, by asset category, are as follows:

	Target Allocation	September 30,	
Asset Category	2027	2026	2025
U.S. equities	4 %	4 %	5 %
International equities	5	5	5
Fixed income	91	91	90
Total	100 %	100 %	100 %

The fair value of U.S. Pension Plan's assets at September 30, 2026 and 2025, summarized by level within the fair value hierarchy described in Note 13—Fair Value Measurement of Financial Instruments, are as follows:

	September 30, 2026			
(in thousands)	Total	Level 1	Level 2	Level 3
Short-term investments	$ 1,352	$ 1,352	$ —	$ —
Mutual funds:				
Domestic stock funds	1,758	1,758	—	—
Bond funds	37,239	37,239	—	—
International stock funds	2,131	2,131	—	—
Total mutual funds	41,128	41,128	—	—
Oil and gas properties	113	—	—	113
Total	$ 42,593	$ 42,480	$ —	$ 113

	September 30, 2025			
(in thousands)	Total	Level 1	Level 2	Level 3
Short-term investments	$ 201	$ 201	$ —	$ —
Mutual funds:				
Domestic stock funds	2,218	2,218	—	—
Bond funds	43,489	43,489	—	—
International stock funds	2,615	2,615	—	—
Total mutual funds	48,322	48,322	—	—
Oil and gas properties	27	—	—	27
Total	$ 48,550	$ 48,523	$ —	$ 27

As of September 30, 2026 and 2025, the assets utilizing Level 3 inputs consist of oil and gas properties. The fair value of oil and gas properties is determined by Wells Fargo Bank, N.A., based upon actual revenue received for the previous twelve-month period and experience with similar assets.

Non-U.S. Pension Plans

As a result of the Acquisition, we now maintain four pension plans in Germany (the "German Plans") and two pension plans in the UK (the "UK Plans") (collectively, the "Non-U.S. Plans"). The German Plans are unfunded, consistent with local business practices, whereas the UK Plans are funded through trustee-administered trusts. The Non-U.S. Plans are closed to new entrants, but existing members continue to accrue based on years of service and final salary. These plans had a net pension liability of $99.3 million ($132.5 million in obligations and $33.2 million in plan assets) recorded in Retirement benefit obligations within Noncurrent liabilities, on the opening balance sheet presented in Note 3—Business Combination as of the Acquisition Date. The Non-U.S. Plans had a net pension liability of $90.6 million ($124.9 million in obligations and $34.2 million in plan assets) presented in Retirement benefit obligations within Noncurrent liabilities on the Consolidated Balance Sheet as of September 30, 2026. Changes in the funded status are recognized in our Consolidated Statements of Comprehensive Income (Loss) in the period in which they occur.

The Company recognizes the unfunded status of its German Plans, based on the projected benefit obligation, as retirement benefit obligations.

The following table provides a reconciliation of the changes in the pension benefit obligations and fair value of the Non-U.S. Plans' assets over the year ended September 30, 2026 and 2025, and a statement of the funded status as of September 30, 2026 and 2025:

	September 30,	
(in thousands)	2026	2025[1]
Accumulated benefit obligation	$ 124,863	$ 134,585
Changes in projected benefit obligations:		
Projected benefit obligation at beginning of year	$ 134,585	$ —
Acquisition of KCA Deutag	—	132,477
Service cost	175	3,339
Interest cost	4,900	5,549
Actuarial gain	(8,502)	(1,714)
Benefits paid	(6,295)	(5,066)
Projected benefit obligation at end of year	$ 124,863	$ 134,585
Change in plan assets:		
Fair value of plan assets at beginning of year	$ 35,128	$ —
Acquisition of KCA Deutag	—	33,176
Actual return on plan assets	983	1,260
Employer contribution	1,013	1,342
Benefits paid	(2,407)	(583)
Administration costs	(497)	(67)
Fair value of plan assets at end of year	$ 34,220	$ 35,128
Funded status of the plan at end of year	$ (90,643)	$ (99,457)

(1) The Company did not have Non-U.S. Plans prior to the Acquisition which occurred on January 16, 2025.

Fluctuations in actuarial gains and losses during the period are primarily due to changes in the discount rate and investment returns. Mortality assumptions for the UK Plans are based on tables issued under the Continuous Mortality Investigation (CMI) 2025 model, developed by the Institute and Faculty of Actuaries. For the German Plans, mortality assumptions are based on the Heubeck 2018 G tables. These liabilities are recorded within Retirement benefit obligation in our Consolidated Balance Sheets.

The Non-U.S. Plans' net actuarial gain recognized in Accumulated other comprehensive income (loss) at September 30, 2026 and 2025, and not yet reflected in net periodic benefit cost, was $17.8 million and $8.1 million, respectively.

The following weighted average assumptions were used in the Non-U.S. Plan's calculations at September 30, 2026 and 2025:

	September 30,	
	2026	2025
UK Plans:		
Contribution increase rate	3.2 %	3.0 %
Discount rate	6.4 %	5.8 %
Inflation rate	3.4 %	3.0 %
Germany Plans:		
Participant salaries increase rate	3.0 %	4.0 %
Contribution increase rate	2.1 %	2.5 %
Discount rate	4.6 %	4.0 %
Inflation rate	2.1 %	3.0 %

We made contributions of $9.6 million and $5.7 million to the Non-U.S. Plans in fiscal years 2026 and 2025, respectively. We expect to contribute approximately $7.3 million to the Non-U.S. Plans during fiscal year 2027.

Components of the net periodic pension expense were as follows:

	Year Ended September 30,	
(in thousands)	2026	2025[1]
Service cost	$ 175	$ 3,339
Interest cost	4,900	5,549
Expected return on plan assets[2]	(8,502)	(1,714)
Net pension expense	$ (3,427)	$ 7,174

(1) The Company did not have Non-U.S. Plans prior to the Acquisition which occurred on January 16, 2025.

(2) The Company uses the fair value of plan assets in determining the expected return on plan assets.

The following table reflects the expected benefits to be paid from the Non-U.S. Plans in each of the next five fiscal years, and in the aggregate for the five years thereafter (in thousands):

Year Ended September 30,						
2027	2028	2029	2030	2031	2032-2036	Total
$ 7,325	$ 6,083	$ 6,081	$ 6,206	$ 5,998	$ 29,112	$ 60,805

The German Plans are unfunded, therefore the plans' activities consist primarily of monthly payments to participants. Assets within the UK Plans are invested primarily in fixed income securities and liability-driven investment strategies to mitigate interest rate risk. In determining the appropriate asset mix, our financial strength and ability to fund potential shortfalls are considered. The UK Plans do not directly hold securities of the Company. The expected long-term rate of return on assets is based on historical and projected rates of return for current and planned asset classes in the UK Plans' investment portfolio after analyzing historical experience and future expectations of the return and volatility of various asset classes. The target allocation for fiscal year 2027 is expected to align with the current fiscal year allocation shown below.

The asset allocation at the end of fiscal year 2026 and 2025, by asset category, was as follows:

Asset Category	September 30, 2026	2025
Equities:		
International equities	11 %	10 %
Diversified Growth Fund[1]	14	13
Fixed income:		
Gilts (UK government bonds)	4	4
Corporate bonds	2	2
Strategic Income Fund[2]	13	13
Risk management:		
Liability-Driven Investments (LDI)	25	27
Alternative investments:		
Absolute Return Credit Fund[3]	24	25
Cash	7	6
Total	100	100

(1) Investments are equity-oriented with multi-asset exposure.

(2) An actively managed investment fund designed to invest mainly in debt securities.

(3) Invests primarily in credit instruments (corporate bonds, loans, structured credit) and uses active management techniques.

The fair value of the U.K. Plan assets at September 30, 2026 and 2025, summarized by level within the fair value hierarchy described in Note 13—Fair Value Measurement of Financial Instruments, are as follows:

(in thousands)	September 30, 2026 Total	Level 1	Level 2	Level 3
Equities:				
International equities	$ 3,597	$ 3,597	$ —	$ —
Diversified Growth Fund	4,787	—	4,787	—
Fixed income:				
Gilts (UK government bonds)	1,336	1,336	—	—
Corporate bonds	757	—	757	—
Strategic Income Fund	4,409	—	4,409	—
Risk management:				
Liability-Driven Investments (LDI)	8,670	—	8,670	—
Alternative investments:				
Absolute Return Credit Fund	8,283	—	8,283	—
Cash	2,381	2,381	—	—
	$ 34,220	$ 7,314	$ 26,906	$ —

(in thousands)	September 30, 2025 Total	Level 1	Level 2	Level 3
Equities:				
International equities	$ 3,674	$ 3,674	$ —	$ —
Diversified Growth Fund	4,636	—	4,636	—
Fixed income:				
Gilts (UK government bonds)	1,359	1,359	—	—
Corporate bonds	817	—	817	—
Strategic Income Fund	4,729	—	4,729	—
Risk management:				
Liability-Driven Investments (LDI)	9,365	—	9,365	—
Alternative investments:				
Absolute Return Credit Fund	8,734	—	8,734	—
Cash	1,838	1,838	—	—
	$ 35,152	$ 6,871	$ 28,281	$ —

Defined Contribution Plan

Substantially all employees on the U.S. payroll may elect to participate in our 401(k)/Thrift Plan by contributing a portion of their earnings. We contribute an amount equal to 100.0% of the first 5.0% of the participant's compensation subject to certain limitations. The annual expense incurred for this defined contribution plan was $25.4 million, $23.6 million and $26.9 million in fiscal years 2026, 2025 and 2024, respectively.The Company continues to participate in the defined contribution plans acquired as part of the Acquisition completed on January 16, 2025. The annual expense incurred for these defined contribution plans was $14.0 million and $10.0 million in fiscal years 2026 and 2025, respectively.

NOTE 15 SUPPLEMENTAL BALANCE SHEET INFORMATION

The following reflects the activity in our allowance for expected credit losses on trade receivables for fiscal years 2026, 2025 and 2024:

	Year Ended September 30,		
(in thousands)	2026	2025	2024
Allowance for credit losses:			
Balance at October 1,	$ 19,647	$ 2,977	$ 2,688
Acquisition of KCA Deutag[1]	—	13,094	—
Provision for credit loss	4,448	765	289
(Write-off) recovery of credit loss	(3,946)	2,811	—
Balance at September 30,	$ 20,149	$ 19,647	$ 2,977

(1) Allowance for credit losses acquired in the KCA Deutag Acquisition were measured at fair value at the Acquisition Date. Refer to Note 3—Business Combination for additional information regarding the Acquisition.

Accounts receivable, prepaid expenses and other current assets, net, accrued liabilities and noncurrent liabilities —other at September 30, 2026 and 2025 consist of the following:

(in thousands)	Year Ended September 30, 2026	2025
Accounts receivable, net of allowance:		
Trade receivables	$ 880,557	$ 752,808
Income tax receivable	1,572	29,836
Total accounts receivable, net of allowance	$ 882,129	$ 782,644
Prepaid expenses and other current assets, net:		
Deferred mobilization	$ 15,269	$ 20,291
Prepaid insurance	14,715	14,855
Prepaid maintenance and rent	10,591	16,888
Prepaid value added tax	9,521	19,263
Insurance recoverable	4,640	4,486
Accrued demobilization, net	4,589	4,969
Prepaid equipment	861	1,516
Other	11,872	15,250
Total prepaid expenses and other current assets, net	$ 72,058	$ 97,518
Accrued liabilities:		
Payroll, benefits, and restructuring costs	155,675	174,974
Accrued operating costs	103,118	116,743
Taxes payable, other than income tax	76,984	74,007
Deferred income	33,607	38,083
Self-insurance liabilities	31,951	39,067
Operating lease liability	27,764	35,960
Accrued income taxes	24,025	11,871
Interest payable	21,298	21,898
Deferred mobilization revenue	19,381	21,740
Litigation and claims	6,976	6,417
Other	34,551	24,095
Total accrued liabilities	$ 535,330	$ 564,855
Noncurrent liabilities — Other:		
Operating lease liability	$ 99,534	$ 110,120
Self-insurance liabilities	83,157	81,726
Deferred revenue	54,694	30,121
Other non-qualified retirement plans	26,931	22,747
Uncertain tax positions including interest and penalties	15,091	23,948
Other	1,869	1,954
Total noncurrent liabilities — other	$ 281,276	$ 270,616

NOTE 16 COMMITMENTS AND CONTINGENCIES

Purchase Commitments

Equipment, parts and supplies are ordered in advance to promote efficient construction and capital improvement progress. At September 30, 2026, we had outstanding purchase commitments for equipment, parts and supplies of approximately $167.0 million.

Lease Obligations

Refer to Note 5—Leases for additional information on our lease obligations.

Guarantee Arrangements

We are contingently liable to sureties in respect of bonds issued by the sureties in connection with certain commitments entered into by us in the normal course of business. We have agreed to indemnify the sureties for any payments made by them in respect of such bonds.

Contingencies

During the ordinary course of our business, contingencies arise resulting from an existing condition, situation or set of circumstances involving an uncertainty as to the realization of a possible gain or loss contingency. We account for gain contingencies in accordance with the provisions of ASC 450, Contingencies, and, therefore, we do not record gain contingencies or recognize income until realized. The property and equipment of our Venezuelan subsidiary was seized by the Venezuelan government on June 30, 2010. Our wholly-owned subsidiaries, Helmerich & Payne International Drilling Co. ("HPIDC"), and Helmerich & Payne de Venezuela, C.A. filed a lawsuit in the United States District Court for the District of Columbia on September 23, 2011 against the Bolivarian Republic of Venezuela, Petroleos de Venezuela, S.A. and PDVSA Petroleo, S.A., seeking damages for the seizure of their Venezuelan drilling business in violation of international law and for breach of contract. While there exists the possibility of realizing a recovery on HPIDC's expropriation claims, we are currently unable to determine the timing or amounts we may receive, if any, or the likelihood of recovery.

In September 2019, H&P and a subsidiary brought a lawsuit against a general liability insurance carrier and an insurance broker alleging bad faith and breach of contract related to an improperly imposed endorsement included in our 2017-2018 and 2018-2019 umbrella liability policies. During the fiscal year ended September 30, 2025, the parties agreed to settle the matter for $27.5 million and, as a result, we recorded a gain within Other income (expense) on our Consolidated Statements of Operations.

The Company and its subsidiaries are parties to various other pending legal actions arising in the ordinary course of our business. We maintain insurance against certain business risks subject to certain SIRs and deductibles. Although no assurance can be given, we believe, based on our experiences to date and taking into account established reserves and insurance, that the ultimate resolution of such items will not have a material adverse impact on our financial condition, cash flows, or results of operations. When we determine a loss is probable of occurring and is reasonably estimable, we accrue an undiscounted liability for such contingencies based on our best estimate using information available at that time. If the estimated loss is a range of potential outcomes and there is no better estimate within the range, we accrue the amount at the low end of the range. We disclose contingencies where an adverse outcome may be material, or in the judgment of management, we conclude the matter should otherwise be disclosed.

NOTE 17 BUSINESS SEGMENTS AND GEOGRAPHIC INFORMATION

Description of the Business

We are a performance-driven drilling solutions and technologies company based in Tulsa, Oklahoma with operations in all major U.S. onshore oil and gas producing basins as well as the Middle East, Europe, Latin America, and Australia. Our drilling operations consist mainly of contracting Company-owned drilling equipment primarily to large oil and gas exploration companies. We believe we are the recognized industry leader in drilling as well as technological innovation. We focus on offering our customers an integrated solutions-based approach by combining proprietary rig technology, automation software, and digital expertise into our rig operations rather than a product-based offering, such as a rig or separate technology package. Our drilling services operations are organized into the following reportable operating business segments: North America Solutions, International Solutions, and Offshore Solutions.

Each reportable operating segment is a strategic business unit that is managed separately, and consolidated revenues and expenses reflect the elimination of all material intercompany transactions. External revenues included in “Other” primarily consist of rental, manufacturing and engineering services income.

Segment Performance

In March 2026, we named a new Chief Executive Officer, Raymond John Adams III, who now serves as our chief operating decision maker ("CODM"). Our CODM evaluates segment performance and allocates resources based on segment operating income (loss) before income taxes. Components within segment operating income (loss), such as operating revenues and direct operating expenses, are used to monitor actual performance against forecasted results for each segment.

Segment operating income (loss) before income taxes includes:

- Revenues from external and internal customers
- Direct operating costs
- Depreciation and amortization
- Research and development
- Allocated general and administrative costs
- Acquisition transaction and integration costs
- Asset impairment charges
- Restructuring charges
- Voluntary separation program charges

but excludes gain on involuntary conversion, gain on reimbursement of drilling equipment, other gain (loss) on sale of assets, corporate selling, general and administrative costs, corporate depreciation, corporate acquisition transactions and integration costs, corporate asset impairment charges, corporate restructuring charges, and corporate voluntary separation program charges.

General and administrative costs are allocated to the segments based primarily on specific identification and, to the extent that such identification is not practical, other methods may be used which we believe to be a reasonable reflection of the utilization of services provided.

Summarized financial information of our reportable segments for the fiscal years ended September 30, 2026, 2025 and 2024 is shown in the following tables:

	September 30, 2026			
(in thousands)	North America Solutions	International Solutions	Offshore Solutions	Total
Revenues from external customers	$ 2,239,697	$ 985,023	$ 720,680	$ 3,945,400
Intersegment revenues	1,456	5,942	—	7,398
Total revenues	2,241,153	990,965	720,680	3,952,798
Reconciliation of revenues:				
All other revenues				237,197
Elimination of intersegment revenues				(113,922)
Total consolidated revenues				4,076,073
Less[1]:				
Direct operating expenses	1,287,054	878,006	599,083	2,764,143
Depreciation & amortization	334,372	305,266	44,152	683,790
Research and development	25,811	—	—	25,811
Selling, general and administrative costs	51,978	27,597	7,541	87,116
Acquisition transaction and integration costs	—	2,116	1,001	3,117
Asset impairment charge	97,922	633,653	4,420	735,995
Restructuring charges	806	2,147	58	3,011
Voluntary separation program charges	4,693	—	445	5,138
Segment operating income (loss)	438,517	(857,820)	63,980	(355,323)
Reconciliation of segment operating income (loss):				
All other operating loss				(10,414)
Elimination of intersegment income				3,826
Segment operating loss				(361,911)

(1) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision maker. Intersegment expenses are included within the amounts shown.

(in thousands)	September 30, 2025 North America Solutions	International Solutions	Offshore Solutions	Total
Revenues from external customers	$ 2,361,288	$ 797,851	$ 520,394	$ 3,679,533
Intersegment revenues	1,039	4,575	—	5,614
Total revenues	2,362,327	802,426	520,394	3,685,147
Reconciliation of revenues				
All other revenues				163,687
Elimination of intersegment revenues				(102,821)
Total consolidated revenues				3,746,013
Less[1]:				
Direct operating expenses	1,322,697	718,822	430,135	2,471,654
Depreciation & amortization	351,813	218,817	32,461	603,091
Research and development	34,140	—	—	34,140
Selling, general and administrative costs	68,047	17,232	4,619	89,898
Acquisition transaction and integration costs	41	1,585	2,971	4,597
Asset impairment charge	1,507	132,720	—	134,227
Restructuring charges	4,121	4,945	266	9,332
Segment operating income (loss)	579,961	(291,695)	49,942	338,208
Reconciliation of segment operating income (loss)				
All other operating loss				(103,397)
Elimination of intersegment loss				(3,999)
Segment operating income				230,812

(1) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision maker. Intersegment expenses are included within the amounts shown.

(in thousands)	September 30, 2024 North America Solutions	International Solutions	Offshore Solutions	Total
Revenues from external customers	$ 2,445,946	$ 193,975	$ 106,207	$ 2,746,128
Intersegment revenues	—	—	—	—
Total revenues	2,445,946	193,975	106,207	2,746,128
Reconciliation of revenues				
All other revenues				71,630
Elimination of intersegment revenues				(61,151)
Total consolidated revenues				2,756,607
Less[1]:				
Direct operating expenses	1,366,471	169,033	82,668	1,618,172
Depreciation & amortization	366,446	10,863	7,530	384,839
Research and development	41,293	—	—	41,293
Selling, general and administrative costs	61,113	9,427	3,594	74,134
Segment operating income	610,623	4,652	12,415	627,690
Reconciliation of segment operating income				
All other operating loss				(1,359)
Elimination of intersegment profit				1,261
Segment operating income				627,592

(1) The significant expense categories and amounts align with the segment-level information that is regularly provided to the chief operating decision maker. Intersegment expenses are included within the amounts shown.

The following table reconciles segment operating income (loss) per the tables above to income (loss) before income taxes as reported on the Consolidated Statements of Operations:

	Year Ended September 30,		
(in thousands)	2026	2025	2024
Segment operating income (loss)	$ (361,911)	$ 230,812	$ 627,592
Gain on involuntary conversion	13,581	—	—
Gain on reimbursement of drilling equipment	25,084	33,398	33,309
Other gain (loss) on sale of assets	119,627	(1,541)	(5,139)
Corporate selling, general and administrative costs, corporate depreciation, corporate acquisition transaction and integration costs, corporate asset impairment charges, corporate restructuring charges, and corporate voluntary separation program charges	(235,207)	(259,351)	(198,313)
Operating income (loss)	(438,826)	3,318	457,449
Other income (expense)			
Interest and dividend income	9,949	35,207	41,168
Interest expense	(99,331)	(107,808)	(29,093)
Gain (loss) on investment securities	923	(22,377)	13,953
Foreign currency exchange gain (loss)	306	(9,682)	(5,550)
Other	(6,147)	27,229	3,093
Total other income (expense)	(94,300)	(77,431)	23,571
Income (loss) before income taxes	$ (533,126)	$ (74,113)	$ 481,020

The following table reconciles segment total assets to total assets as reported on the Consolidated Balance Sheets:

	Year Ended September 30,	
(in thousands)	2026	2025
Total assets[1]		
North America Solutions	$ 2,735,314	$ 2,957,139
International Solutions	1,586,012	2,426,613
Offshore Solutions	701,506	714,708
Other	297,676	360,037
	5,320,508	6,458,497
Investments and corporate operations	335,777	247,241
	$ 5,656,285	$ 6,705,738

(1) Assets by segment exclude investments in subsidiaries and intersegment activity.

The following table presents revenues from external customers by country based on the location of service provided:

	Year Ended September 30,		
(in thousands)	2026	2025	2024
Operating revenues			
United States	$ 2,367,227	$ 2,481,593	$ 2,558,814
Norway	351,690	220,263	—
Saudi Arabia	289,929	261,747	—
Oman	256,007	179,568	—
Azerbaijan	190,565	129,011	—
Argentina	179,372	155,727	142,451
Other Foreign	441,283	318,104	55,342
Total	$ 4,076,073	$ 3,746,013	$ 2,756,607

The following table presents property, plant and equipment by country based on the location of service provided:

(in thousands)	Year Ended September 30, 2026	2025
Property, plant and equipment, net		
United States	$ 2,184,018	$ 2,503,045
Saudi Arabia	401,434	971,440
Oman	364,778	445,706
Other foreign	296,544	392,883
Total	$ 3,246,774	$ 4,313,074

NOTE 18 RESTRUCTURING AND VOLUNTARY SEPARATION PROGRAM CHARGES

As part of the Company's ongoing enterprise optimization initiatives, management continues to evaluate its cost structure, operating footprint, and workforce requirements to improve operating efficiency and align resources with strategic priorities.

During the fiscal years ended September 30, 2026 and 2025, we incurred restructuring charges of approximately $6.1 million and $12.1 million, respectively, primarily related to one-time severance payments to involuntarily terminated employees. These expenses are recorded within Restructuring charges on our Consolidated Statements of Operations.

In addition, during the fiscal year ended September 30, 2026, we recognized $8.5 million of voluntary separation charges associated with a voluntary separation program for U.S. based employees designed to optimize our cost structure and improve operating efficiency. As a result, costs incurred primarily relate to one-time severance payments and employee separation benefits associated with employees who elected to participate in the program. These expenses are recorded within Voluntary separation program charges on our Consolidated Statements of Operations.

The following table summarizes the workforce reduction and restructuring-related charges recorded during the fiscal year ended September 30, 2026:

(in thousands)	Year Ended September 30, 2026	2025
Workforce reduction and restructuring-related charges		
Restructuring charges	$ 6,114	$ 12,131
Voluntary separation program charges	8,483	—
Total	$ 14,597	$ 12,131

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, an evaluation was performed with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer, concluded that our disclosure controls and procedures were effective as of September 30, 2026 at ensuring that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and accumulated and communicated to our management, including the Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure. We believe that a controls system, no matter how well designed and operated, cannot provide absolute assurance that the objectives of the controls system are met, and no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected.

Management's Report on Internal Control over Financial Reporting

A copy of our Management's Report on Internal Control over Financial Reporting is included in Item 8 of this Form 10-K.

Attestation Report of the Independent Registered Public Accounting Firm

A copy of the report of Ernst & Young LLP, our independent registered public accounting firm, is included in Item 8 of this Form 10-K.

Changes in Internal Control over Financial Reporting

There have been no material changes in our internal control over financial reporting that have occurred during the most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

(b) Trading Plans

None.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

We have adopted a Code of Ethics for our Principal Executive Officer and Senior Financial Officers. The text of this code is located on our website under “https://ir.hpinc.com/investors/corporate-governance/corporate-governance-information”. Our Internet address is www.hpinc.com. We intend to disclose any amendments to or waivers from this code on our website.

The other information required by this item will be included in the sections entitled “Directors,” “Executive Officers,” “Board Committees,” “Trading, Hedging and Pledging Policies” in the Company's definitive proxy statement to be filed with the SEC no later than 120 days after September 30, 2026, in connection with the solicitation of proxies for the Company's 2027 annual meeting of stockholders (the "2027 Proxy Statement"), and is incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this item will be included in the sections entitled “Compensation Discussion & Analysis,” “Summary Compensation Table,” “Grants of Plan-Based Awards in Fiscal 2026,” “Outstanding Equity Awards at Fiscal 2026 Year-End,” “Stock Vested in 2026,” “Pension Benefits For Fiscal 2026,” “Nonqualified Deferred Compensation For Fiscal 2026,” “Potential Payments Upon Change-In-Control,” “Director Compensation Table, ” “Pay Ratio Disclosure,” “Pay Versus Performance” and “Equity Grant Practices” in the 2027 Proxy Statement and is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this item will be included in the sections entitled “Summary of All Existing Equity Compensation Plans,” “Security Ownership of Certain Beneficial Owners” and “Security Ownership of Directors and Management” in the 2027 Proxy Statement and is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this item will be included in the sections entitled “Transactions with Related Persons, Promoters, and Certain Control Persons” and “Director Independence” in the 2027 Proxy Statement and is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required by this item will be included in the section entitled “Proposal 2 - Ratification of Appointment of Independent Auditors” in the 2027 Proxy Statement and is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

1. Financial Statements: Our consolidated financial statements, together with the notes thereto and the report of Ernst & Young LLP dated November 19, 2026, are listed below and included in Item 8— “Financial Statements and Supplementary Data” of this Form 10-K.

	Page
Report of Independent Registered Public Accounting Firm (PCAOB ID Number 00042)	59
Consolidated Balance Sheets at September 30, 2026 and 2025	62
Consolidated Statements of Operations for the Years Ended September 30, 2026, 2025 and 2024	63
Consolidated Statements of Comprehensive Income for the Years Ended September 30, 2026, 2025 and 2024	64
Consolidated Statements of Shareholders' Equity for the Years Ended September 30, 2026, 2025 and 2024	65
Consolidated Statements of Cash Flows for the Years Ended September 30, 2026, 2025 and 2024	66
Notes to Consolidated Financial Statements	68

2. Financial Statement Schedules: All schedules are omitted because they are not applicable or required or because the required information is contained in the financial statements or included in the notes thereto.

3. Exhibits: The following documents are included as exhibits to this Form 10-K. Exhibits incorporated by reference are duly noted as such.

3.1	Amended and Restated Certificate of Incorporation of Helmerich & Payne, Inc. (incorporated herein by reference to Exhibit 3.1 of the Company's Form 8-K filed on March 14, 2012, SEC File No. 001-04221).
3.2	Amended and Restated By-laws of Helmerich & Payne, Inc. (incorporated herein by reference to Exhibit 3.1 of the Company's Form 8-K filed on September 12, 2024, SEC File No. 001-04221).
4.1	Description of Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated herein by reference to Exhibit 4.1 of the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2023, SEC File No. 001-04221).
4.2	Indenture, dated December 20, 2018, among Helmerich & Payne, Inc., Helmerich & Payne International Drilling Co. and Wells Fargo Bank, National Association, as trustee (incorporated herein by reference to Exhibit 4.1 of the Company's Form 8-K filed on December 20, 2018, SEC File No. 001-04221).
4.3	Second Supplemental Indenture, dated September 29, 2021, to the Indenture, dated December 20, 2018, between Helmerich & Payne, Inc. and Wells Fargo Bank, National Association, as trustee (including the form of 2.900% Senior Note due 2031) (incorporated herein by reference to Exhibit 4.2 of the Company's Form 8-K filed on September 29, 2021, SEC File No. 001-04221).
4.4	Third Supplemental Indenture, dated September 17, 2024, between Helmerich & Payne, Inc. and Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association), as trustee (including the form of 4.650% Senior Note due 2027) (incorporated herein by reference to Exhibit 4.2 of the Company's Form 8-K filed on September 17, 2024, SEC File No. 001-04221).
4.5	Fourth Supplemental Indenture, dated September 17, 2024, between Helmerich & Payne, Inc. and Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association), as trustee (including the form of 4.850% Senior Note due 2029) (incorporated herein by reference to Exhibit 4.3 of the Company's Form 8-K filed on September 17, 2024, SEC File No. 001-04221).
4.6	Fifth Supplemental Indenture, dated September 17, 2024, between Helmerich & Payne, Inc. and Computershare Trust Company, N.A. (as successor to Wells Fargo Bank, National Association), as trustee (including the form of 5.500% Senior Note due 2034) (incorporated herein by reference to Exhibit 4.4 of the Company's Form 8-K filed on September 17, 2024, SEC File No. 001-04221).
10.1	Amended and Restated Credit Agreement, dated August 14, 2024, among Helmerich & Payne, Inc., the lenders from time to time party thereto and Wells Fargo Bank, National Association (incorporated herein by reference to Exhibit 10.2 of the Company's Form 8-K filed on August 15, 2024, SEC File No. 001-04221).
*10.2	Form of Change of Control Agreement applicable to executive officers and certain other employees of Helmerich & Payne, Inc., adopted September 9, 2020 (incorporated herein by reference to Exhibit 10.1 of the Company's Form 8-K filed on September 14, 2020, SEC File No. 001-04221).
*10.3	Supplemental Retirement Income Plan for Salaried Employees of Helmerich & Payne, Inc. (incorporated herein by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2008, SEC File No. 001-04221).
*10.4	Supplemental Savings Plan for Salaried Employees of Helmerich & Payne, Inc. (incorporated herein by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2008, SEC File No. 001-04221).
*10.5	Helmerich & Payne, Inc. Director Deferred Compensation Plan (incorporated herein by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, SEC File No. 001-04221).

*10.6	Helmerich & Payne, Inc. Amended and Restated 2020 Omnibus Incentive Plan (incorporated herein by reference to Appendix A of the Company's Proxy Statement on Schedule 14A filed on January 18, 2022, SEC File No. 001-04221).
*10.7	Amendment to Standard Three-Year Performance-Vested Restricted Share Unit Award Agreement for the 2020 Helmerich & Payne, Inc. 2020 Omnibus Incentive Plan, dated June 6, 2022 (incorporated herein by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2022, SEC File No. 001-04221).
*10.8	Form of Restricted Stock Agreement for the Helmerich & Payne Amended and Restated 2020 Omnibus Incentive Plan applicable to Directors (incorporated herein by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2022, SEC File No. 001-04221).
*10.9	Form of Annual Three-Year Performance-Vested Restricted Share Unit Award Agreement for the Helmerich & Payne, Inc. Amended and Restated 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2022, SEC File No. 001-04221).
*10.10	Form of Standard Three-Year Performance-Vested Restricted Share Unit Award Agreement for the Helmerich & Payne, Inc. Amended and Restated 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2022, SEC File No. 001-04221).
*10.11	Form of Restricted Stock Award Agreement applicable to employees for the Helmerich & Payne, Inc. Amended and Restated 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2022, SEC File No. 001-04221).
*10.12	Form of Chief Executive Officer Standard Three-Year Performance-Vested Restricted Share Unit Award Agreement for the Helmerich & Payne, Inc. Amended and Restated 2020 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.1 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2023, SEC File No. 001-04221).
*10.13	Form of Restricted Stock Award Agreement for the Helmerich & Payne 2024 Omnibus Incentive Plan applicable to Directors (incorporated herein by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, SEC File No. 001-04221).
*10.14	Form of Annual Three-Year Performance-Vested Restricted Share Unit Award Agreement for the Helmerich & Payne, Inc. 2024 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2024, SEC File No. 001-04221).
*10.15	Form of Standard Three-Year Performance-Vested Restricted Share Unit Award Agreement for the Helmerich & Payne, Inc. 2024 Omnibus Incentive Plan (incorporated herein by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2024, SEC File No. 001-04221).
*10.16	Form of Restricted Stock Award Agreement for the Helmerich & Payne, Inc. 2024 Omnibus Incentive Plan applicable to employees (incorporated herein by reference to Exhibit 10.4 of the Company's Quarterly Report on Form 10-Q for the quarter ended December 31, 2024, SEC File No. 001-04221).
*10.17	Helmerich & Payne, Inc. Amended and Restated 2024 Omnibus Incentive Plan (filed as Appendix A to the Definitive Proxy Statement on Schedule 14A on January 22, 2026 and incorporated herein by reference).
*10.18	Transition Services and Retirement Agreement, dated February 26, 2026, by and between John W. Lindsay and Helmerich & Payne, Inc. (incorporated herein by reference to Exhibit 10.2 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, SEC File No. 001-04221).
*10.19	Transition Services and Retirement Agreement, dated March 12, 2026, by and between J. Kevin Vann and Helmerich & Payne, Inc. (incorporated herein by reference to Exhibit 10.3 of the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2026, SEC File No. 001-04221).
19.1	Insider Trading Policy (incorporated herein by reference to Exhibit 19.1 of the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2024, SEC File No. 001-04221).
21	List of Subsidiaries of the Company.
23.1	Consent of Independent Registered Public Accounting Firm.
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) promulgated under the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
**32	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

97	Helmerich & Payne Rule 10D-1 Clawback Policy (incorporated herein by reference to Exhibit 97 of the Company's Annual Report on Form 10-K for the fiscal year ended September 30, 2023, SEC File No. 001-04221).
101	Financial statements from this Form 10-K formatted in Inline eXtensible Business Reporting Language (XBRL): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Comprehensive Income (Loss), (iv) the Consolidated Statements of Shareholders' Equity, (v) the Consolidated Statements of Cash Flows and (vi) the Notes to Consolidated Financial Statements.
104	Cover Page Interactive Date File (formatted as Inline XBRL and contained in Exhibit 101).

*Management or Compensatory Plan or Arrangement.

**The certifications on Exhibit 32 hereto are deemed furnished and not "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liability of that Section. Such certifications will not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

ITEM 16. FORM 10-K SUMMARY

None.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized:

HELMERICH & PAYNE, INC.

By: /s/ Raymond John Adams III
Raymond John Adams III,
Director, President and Chief Executive Officer

Date: November 19, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Company and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ Raymond John Adams III Raymond John Adams III	Director, President and Chief Executive Officer (Principal Executive Officer)	November 19, 2026
/s/ Todd N. Scruggs Todd N. Scruggs	Senior Vice President and Chief Financial Officer (Principal Financial Officer)	November 19, 2026
/s/ Sara M. Momper Sara M. Momper	Vice President and Chief Accounting Officer (Principal Accounting Officer)	November 19, 2026
/s/ Hans Helmerich Hans Helmerich	Director and Chairman of the Board	November 19, 2026
/s/ Delaney M. Bellinger Delaney Bellinger	Director	November 19, 2026
/s/ Belgacem Chariag Belgacem Chariag	Director	November 19, 2026
/s/ Kevin G. Cramton Kevin G. Cramton	Director	November 19, 2026
/s/ Randy A. Foutch Randy A. Foutch	Director	November 19, 2026
/s/ Elizabeth Killinger Elizabeth Killinger	Director	November 19, 2026
/s/ Jose R. Mas Jose R. Mas	Director	November 19, 2026
/s/ Donald F. Robillard, Jr. Donald F. Robillard, Jr.	Director	November 19, 2026
/s/ John D. Zeglis John D. Zeglis	Director	November 19, 2026

Exhibit 10.17

Helmerich & Payne, Inc.

2024 Omnibus Incentive Plan

Restricted Stock Award Agreement

Participant Name:

Date of Grant:

Shares Subject to Restricted Stock Award:

Vesting Schedule

Vesting Date	Percent of Award Vested
	100%

Restricted Stock Award Agreement
Under the Helmerich & Payne, Inc.
2024 Omnibus Incentive Plan

THIS RESTRICTED STOCK AWARD AGREEMENT (this "Award Agreement"), is made as of the grant date (the "Date of Grant") set forth on the cover page of this Award Agreement (the "Cover Page") at Tulsa, Oklahoma by and between the participant named on the Cover Page (the "Participant") and Helmerich & Payne, Inc. (the "Company").

W I T N E S S E T H:

WHEREAS, the Participant is an employee of the Company or an Affiliate or Subsidiary of the Company, and it is important to the Company that the Participant be encouraged to remain in the employ of the Company or its Affiliate or Subsidiary; and

WHEREAS, in recognition of such facts, the Company desires to provide to the Participant an opportunity to receive Common Shares of the Company, as hereinafter provided, pursuant to the Helmerich & Payne, Inc. 2024 Omnibus Incentive Plan (the "Plan"), a copy of which has been provided to the Participant; and

WHEREAS, any capitalized terms used but not defined herein have the same meanings given them in the Plan.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and for good and valuable consideration, the Participant and the Company hereby agree as follows:

Section 1. *Grant of Restricted Stock Award*. The Company hereby grants to the Participant an award (the "Restricted Stock Award") of _____ (____) Shares, under and subject to the terms and conditions of this Award Agreement and the Plan, which is incorporated herein by reference and made a part hereof for all purposes.

Section 2. *Stock Held by Company*. The Restricted Stock Award shall be evidenced via a book entry registration or the issuance of a stock certificate or certificates as determined by the Company. As a condition precedent to the book entry registration or the issuing of a certificate representing Shares subject to the Restricted Stock Award, the Participant must deliver to the Company a duly executed irrevocable stock power (in blank) covering such Shares represented by the certificate in the form of Exhibit A attached hereto. Shares subject to the Restricted Stock Award held by the Company pursuant to this Award Agreement shall constitute issued and outstanding shares of Common Stock of the Company for all corporate purposes, and the Participant shall be entitled to vote such Shares and shall receive all cash dividends thereon provided that the right to vote or receive such dividends shall terminate with respect to Shares which have been forfeited as provided under this Award Agreement. While such Shares are held by the Company and until such Shares have vested, the Participant for whose benefit such Shares are held shall not have the right to encumber or otherwise change, sell, assign, transfer, pledge or otherwise dispose of such unvested Shares or any interest therein, and such unvested Shares shall not be subject to attachment or any other legal or equitable process brought by or on behalf of any creditor of such Participant; and any such attempt to attach or receive Shares in violation of this Award Agreement shall be null and void.

Section 3. *Vesting of Restricted Stock Award*.

(a) Vesting Schedule. Subject to the applicable provisions of the Plan and this Award Agreement, this Restricted Stock Award shall vest on the date set forth on the Cover Page (the "Vesting Date"). Unless vesting is accelerated or extended pursuant to the terms of Section 6, unvested Shares subject to the Restricted Stock Award shall be forfeited immediately following the Participant's termination of employment.

(b) Delivery of Shares. Reasonably promptly following vesting of the Shares subject to the Restricted Stock Award, the Company shall cause to be delivered to the Participant a certificate (or make a book entry in the Participant's name) evidencing each such Share, free of the legend described in Section 11.

Section 4. *Nontransferability of Restricted Stock Award*. The Restricted Stock Award shall not be transferable by the Participant otherwise than by will or the laws of descent and distribution. Any attempted assignment, transfer, pledge, hypothecation or other disposition of the Restricted Stock Award contrary to the provisions hereof shall be null and void and without effect.

Section 5. *Employment*. Nothing in the Plan or in this Award Agreement shall confer upon the Participant any right to continue in the employ of the Company or its Affiliates or Subsidiaries, or interfere in any way with the right of the Company or its Affiliates or Subsidiaries to terminate the Participant's employment at any time.

Section 6. *Special Vesting of Restricted Stock Award*. In the event of the Participant's death, any and all unvested Shares subject to the Restricted Stock Award shall become automatically fully vested. The Committee, in its sole discretion, may accelerate, in whole or in part, the vesting of the Restricted Stock Award to the extent the Vesting Date has not yet occurred upon (a) the Participant's Disability, (b) the Participant's Retirement or (c) a Change in Control.

Section 7. *Suspension or Termination of Awards*.

(a) This Award Agreement and all rights the Participant, or any person claiming through the Participant, may have under this Award Agreement shall be subject to all applicable laws, government regulations, stock exchange listing requirements, and policies the Company has established or may establish after the date of this Award Agreement, including without limitation the Company's Rule 10-D-1 Clawback Policy, Senior Leader Recoupment Policy (to the extent such policies are applicable thereto by their terms) and any other policy regarding the clawback or recoupment of compensation.

(b) In any event, if at any time the Committee reasonably believes that the Participant has committed an act of misconduct as described in this subsection (b), the Committee may suspend the Participant's right to exercise or receive any Award pending a determination of whether an act of misconduct has been committed. If the Committee determines the Participant has committed an illegal act, fraud, embezzlement or deliberate disregard of Company rules or policies (including any violation of the Participant's non-disclosure, non-compete or similar agreement) that may reasonably be expected to result in loss, damage or injury to the Company, the Committee may (i) cancel any outstanding Award granted to the Participant, in whole or in part, whether or not vested or deferred and/or (ii) if such conduct or activity occurs during a Company fiscal year in which there was also an exercise or receipt of an Award, require the Participant to repay to the Company any gain realized or value received upon the exercise or receipt of such Award (with such gain or value received valued as of the date of exercise or receipt). Cancellation and repayment obligations will be effective as of

the date specified by the Committee. Any repayment obligation may be satisfied in Common Shares or cash or a combination thereof (based upon the Fair Market Value of Common Shares on the day of payment), and the Committee may provide for an offset to any future payments owed by the Company or any Affiliate to the Participant if necessary to satisfy the repayment obligation. The determination regarding cancellation of an Award or a repayment obligation shall be within the sole discretion of the Committee and shall be binding upon the Participant and the Company.

Section 8. *Change in Control*. Subject to Section 6, upon the occurrence of a Change in Control, this Restricted Stock Award shall be subject to Section 13 of the Plan.

Section 9. *Securities Law Restrictions*. The Restricted Stock Award shall not be vested to any extent, and the Company shall not be obligated to transfer any Shares to the Participant upon the vesting of the Restricted Stock Award, if such vesting, in the opinion of counsel for the Company, would violate the Securities Act of 1933, as amended (the "Securities Act"), or any other federal or state statutes having similar requirements as may be in effect at that time. The Company shall be under no obligation to register the Restricted Stock Award or the Shares underlying the Restricted Stock Award pursuant to the Securities Act or any other federal or state securities laws.

Section 10. *Withholding of Taxes*. The Company may make such provision as it may deem appropriate for the withholding of any applicable federal, state, or local taxes that it determines it may be obligated to withhold or pay in connection with the vesting of the Shares subject to the Restricted Stock Award. A Participant must pay the amount of taxes required by law upon the vesting of the Shares subject to the Restricted Stock Award (a) in cash or by check, (b) by the Participant surrendering, or the Company retaining from the Shares to be issued to the Participant, that number of Shares having a Fair Market Value on the date of payment equal to the amount of such required withholding, or (c) by a combination of the foregoing.

Section 11. *Legends*. The Shares that are subject to the Award shall be subject to the following legend:

> "THE SHARES OF STOCK EVIDENCED BY THIS CERTIFICATE ARE SUBJECT TO AND ARE TRANSFERABLE ONLY IN ACCORDANCE WITH THAT CERTAIN RESTRICTED STOCK AWARD AGREEMENT UNDER THE HELMERICH & PAYNE, INC. 2024 OMNIBUS INCENTIVE PLAN DATED THE [___] DAY OF [_____], 20[__]. ANY ATTEMPTED TRANSFER OF THE SHARES OF STOCK EVIDENCED BY THIS CERTIFICATE IN VIOLATION OF SUCH RESTRICTED STOCK AWARD AGREEMENT SHALL BE NULL AND VOID AND WITHOUT EFFECT. A COPY OF THE RESTRICTED STOCK AWARD AGREEMENT MAY BE OBTAINED FROM THE SECRETARY OF HELMERICH & PAYNE, INC."

Section 12. *Notices*. All notices and other communications under this Award Agreement shall be in writing and shall be delivered personally or given by certified or registered mail with return receipt requested, and shall be deemed to have been duly given upon personal delivery or three days after mailing to the respective parties as follows: (a) if to the Company, Helmerich & Payne, Inc., 1437 South Boulder Avenue, Suite 1400, Tulsa, Oklahoma 74119, Attn: Secretary of the Company and (b) if to the Participant, using the contact information on file

with the Company. Either party hereto may change such party's address for notices by notice duly given pursuant hereto.

Section 13. *Section 83(b) Election*. If the Participant makes an election under Section 83(b) of the Internal Revenue Code of 1986, as amended (the "Code"), or any successor section thereto, to be taxed with respect to the Shares subject to the Restricted Stock Award as of the Date of Grant, the Participant shall deliver a copy of such election to the Company immediately after filing such election with the Internal Revenue Service, together with any required tax withholding. The Participant hereby acknowledges that it is the Participant's sole responsibility to file timely the election under Section 83(b) of the Code.

Section 14. *Conflicts; Severability*. In the event of any conflicts between this Award Agreement and the Plan, the latter shall control. Should any provision of this Award Agreement be held by a court of competent jurisdiction to be unenforceable, or enforceable only if modified, such holding shall not affect the validity of the remainder of this Award Agreement, the balance of which shall continue to be binding upon the parties hereto with any such modification (if any) to become a part hereof and treated as though contained in this original Award Agreement.

Section 15. *No Part of Other Plans*. The benefits provided under this Award Agreement or the Plan shall not be deemed to be a part of or considered in the calculation of any other benefit provided by the Company or its Subsidiaries or Affiliates to the Participant.

Section 16. *Protections Against Violations of Agreement*. No purported sale, assignment, mortgage, hypothecation, transfer, pledge, encumbrance, gift, transfer in trust (voting or other) or other disposition of, or creation of a security interest in or lien on, the Restricted Stock Award or any of the Shares underlying it in violation of the provisions of this Award Agreement will be valid, and the Company will not transfer any such Shares on its books, unless and until there has been full compliance with such provisions to the satisfaction of the Company. The foregoing restrictions are in addition to and not in lieu of any other remedies, legal or equitable, available to enforce said provisions.

Section 17. *Failure to Enforce Not a Waiver*. The failure of the Company to enforce at any time any provision of this Award Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

Section 18. *Participant and Award Subject to Plan*. As specific consideration to the Company for the Award, the Participant agrees to be bound by the terms of the Plan and this Award Agreement.

Section 19. *Dispute Resolution; Interpretation*. With respect to any claim or dispute related to or arising under this Award Agreement or the Restricted Stock Award, the parties hereto hereby consent to the exclusive jurisdiction, forum and venue of the state and federal courts located in Tulsa, Oklahoma. EACH PARTY HERETO WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AWARD AGREEMENT. If a court of competent jurisdiction determines that any provision of this Award Agreement is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Award Agreement, and all other provisions shall remain in full force and effect.

* * * *

IN WITNESS WHEREOF, the parties have executed this Restricted Stock Award Agreement as of the day and year first above written.

HELMERICH & PAYNE, INC., a Delaware corporation

By:__

"COMPANY"

__

"PARTICIPANT"

EXHIBIT A

ASSIGNMENT SEPARATE FROM CERTIFICATE

FOR VALUE RECEIVED, _____, an individual ("Grantee"), hereby irrevocably assigns and conveys to Helmerich & Payne, Inc., those _____ (_____) shares of the Common Capital Stock of Helmerich & Payne, Inc., a Delaware corporation, $0.10 par value, subject to that certain Restricted Stock Award Agreement dated as of [_____] between Helmerich & Payne, Inc. and Grantee.

DATED:

_____

Exhibit 21

SUBSIDIARIES OF THE REGISTRANT

Name of Company	State or Country of Incorporation
4D Directional Services, L.L.C.	United States, Delaware
Abbot Group Limited	United Kingdom
Abbot Holdings Limited	United Kingdom
Abbot Investments (North Africa) Limited	United Kingdom
Abbot Verwaltungsgesellschaft mbH	Germany
Bentec Drilling and Oilfield Systems LLC	Russia
Bentec GmbH Drilling & Oilfield Systems	Germany
BENTEC MESA Company	Saudi Arabia
BENTEC Muscat LLC	Oman
Bentec Personalservice GmbH	Germany
BENTEC Solutions Limited	United Kingdom
Bentec TOB	Ukraine
Clean Power Hydrogen plc	United Kingdom
DrillScan SAS	France
Global Tender Barges Malaysia Sdn Bhd	Malaysia
Global Tender Barges Mexico S de R.L. de C.V.	Mexico
H&P Drilling Norge AS	Norway
H&P Drilling Offshore Services AS	Norway
H&P Holdings Norge AS	Norway
H&P MODU Operations AS	Norway
H&P Norge AS	Norway
H&P Offshore AS	Norway
H&P Technologies International, Inc.	United States, Texas
Helmerich & Payne (Argentina) Drilling Co.	United States, Oklahoma
Helmerich & Payne (Australia) Drilling Pty Ltd	Australia
Helmerich & Payne (Boulder) Drilling Co.	United States, Oklahoma
Helmerich & Payne (Colombia) Drilling Co.	United States, Oklahoma
Helmerich & Payne Corporate Ventures, LLC	United States, Delaware
Helmerich & Payne de Venezuela, C.A.	Venezuela
Helmerich & Payne del Ecuador, Inc.	United States, Oklahoma
Helmerich & Payne International Drilling Co.	United States, Delaware
Helmerich & Payne International Holdings, LLC	United States, Delaware
Helmerich & Payne Management, LLC	United States, Delaware
Helmerich & Payne Offshore, LLC	United States, Delaware
Helmerich & Payne Properties, Inc.	United States, Oklahoma
Helmerich & Payne Rasco, Inc.	United States, Oklahoma
Helmerich & Payne Technologies Canada, Inc.	Canada
Helmerich & Payne Technologies Private Limited	India
Helmerich & Payne Technologies UK Limited	Scotland
Helmerich & Payne Technologies, LLC	United States, Delaware
HP Alpha Limited	United Kingdom
HP Falcon Investments, LLC	United States, Delaware
HP Global Holdings Limited	Jersey
HP Middle East Holdings Limited Company	Saudi Arabia
HP Middle East Holdings, LLC	United States, Delaware
HP Middle East Operations FZE	United Arab Emirates

HP Phoenix Holdings, LLC	United States, Delaware
HPO Holdco, LLC	United States, Delaware
International Air Drilling Company Limited	Gibraltar
International Energy Services Jersey Holding Co. Ltd	Jersey
International Energy Services KSA Jersey Ltd	Jersey
International Energy Services ROW Jersey Limited	Jersey
International Energy Services South America Co. Ltd	Jersey
KCA Deutag (Cyprus) Limited	Cyprus
KCA Deutag (Land Rig) Limited	United Kingdom
KCA Deutag (Nigeria) Limited	Nigeria
KCA Deutag Caspian Limited	United Kingdom
KCA Deutag Drilling Canada, Inc.	Canada
KCA Deutag Drilling GmbH	Germany
KCA Deutag Drilling Group Limited	United Kingdom
KCA Deutag Drilling Limited	United Kingdom
KCA Deutag Drilling LLC	Russia
KCA Deutag Drilling Saudi Arabia Ltd	Saudi Arabia
KCA Deutag Energy Global LLC	Oman
KCA Deutag Energy International LLC	Oman
KCA Deutag Energy LLC	Oman
KCA Deutag Energy National LLC	Oman
KCA Deutag Energy Rigs SPC	Oman
KCA Deutag Enterprises Limited	United Kingdom
KCA Deutag Europe B.V.	Netherlands
KCA Deutag GmbH	Germany
KCA Deutag Gulf Drilling Limited Company	Saudi Arabia
KCA Deutag Holdings Limited	Cyprus
KCA Deutag International 2 Limited	United Kingdom
KCA Deutag International 3 Limited	United Kingdom
KCA Deutag International Limited	Jersey
KCA Deutag Investments B.V.	Netherlands
KCA Deutag Investments Ltd	British Virgin Islands
KCA DEUTAG Iran Kish Drilling Company	Iran
KCA Deutag Kazakhstan LLP	Kazakhstan
KCA Deutag Limited	United Kingdom
KCA Deutag Nederland B.V.	Netherlands
KCA Deutag Operations Services FZCO	Dubai
KCA Deutag Overseas Limited	Cyprus
KCA Deutag Pikco Limited	United Kingdom
KCA Deutag PTE Limited	Singapore
KCA Deutag Rig Design Services Limited	United Kingdom
KCA Deutag Russia LLC	Russian Federation
KCA Deutag Technical Support Limited	United Kingdom
KCA Deutag Tender Barges (Offshore) Pte Ltd	Singapore
KCA Deutag Tiefbohrgesellschaft mbH	Germany
KCA Deutag UK Finance Limited	United Kingdom
KCA European Holdings Limited	United Kingdom
KCAD International DMCC	Dubai
Magnetic Variation Services, LLC	United States, Colorado
Motive Drilling Technologies, Inc.	United States, Delaware

Oman KCA Deutag Drilling Company LLC	Oman
Performance Drilling for Oil Services Ltd	Iraq
Rig Design Services Holdings Limited	United Kingdom
Saudi International Energy Services Company Ltd	Saudi Arabia
Scissortail Assurance, LLC	United States, Oklahoma
SET Drilling Company Limited	United Kingdom
Space Center, Inc.	United States, Oklahoma
Surcon Ltd	United States, Colorado
Torquer Ltd.	Scotland
Turan Drilling and Engineering Company LLC	Azerbaijan
Utica Resources Co.	United States, Oklahoma
Utica Square Shopping Center, Inc.	United States, Oklahoma
White Eagle Assurance Company	United States, Vermont

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 Nos. 333-287330 and 333-287330-01) of Helmerich & Payne, Inc. and Helmerich & Payne International Drilling Co.;
(2) Registration Statement (Form S-8 No. 333-176911) pertaining to the Helmerich & Payne, Inc. 2010 Long-Term Incentive Plan;
(3) Registration Statement (Form S-8 No. 333-213053) pertaining to the Helmerich & Payne, Inc. 2016 Omnibus Incentive Plan;
(4) Registration Statement (Form S-8 No. 333-237161) pertaining to the Helmerich & Payne, Inc. Amended and Restated 2020 Omnibus Incentive Plan;
(5) Registration Statement (Form S-8 No. 333-264546) pertaining to the Helmerich & Payne, Inc. Amended and Restated 2020 Omnibus Incentive Plan;
(6) Registration Statement (Form S-8 No. 333-277456) pertaining to the Helmerich & Payne, Inc. 2024 Omnibus Incentive Plan; and
(7) Registration Statement (Form S-8 No. 333-295643) pertaining to the Helmerich & Payne, Inc. 2024 Amended and Restated Omnibus Incentive Plan

of our reports dated November 19, 2026, with respect to the consolidated financial statements of Helmerich & Payne, Inc. and the effectiveness of internal control over financial reporting of Helmerich & Payne, Inc. included in this Annual Report (Form 10-K) of Helmerich & Payne, Inc. for the year ended September 30, 2026.

/s/ Ernst & Young LLP

Tulsa, Oklahoma
November 19, 2026

Exhibit 31.1

CERTIFICATION of CEO

I, Raymond John Adams III, certify that:

1 I have reviewed this Annual Report on Form 10-K of Helmerich & Payne, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 19, 2026

/s/ Raymond John Adams III

Raymond John Adams III

Director, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION of CFO

I, Todd N. Scruggs, certify that:

1. I have reviewed this Annual Report on Form 10-K of Helmerich & Payne, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 19, 2026

/s/ Todd N. Scruggs

Todd N. Scruggs
Senior Vice President and Chief Financial Officer

Exhibit 32

Certifications of CEO and CFO Pursuant to
18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Annual Report of Helmerich & Payne, Inc. (the "Company") on Form 10-K for the year ended September 30, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Raymond John Adams III, as Director, President and Chief Executive Officer of the Company, and Todd N. Scruggs, as Senior Vice President and Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, to the best of his knowledge, that:

(1) The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Raymond John Adams III

Raymond John Adams III
Director, President and Chief Executive Officer
Date: November 19, 2026

/s/ Todd N. Scruggs

Todd N. Scruggs
Senior Vice President and Chief Financial Officer
Date: November 19, 2026