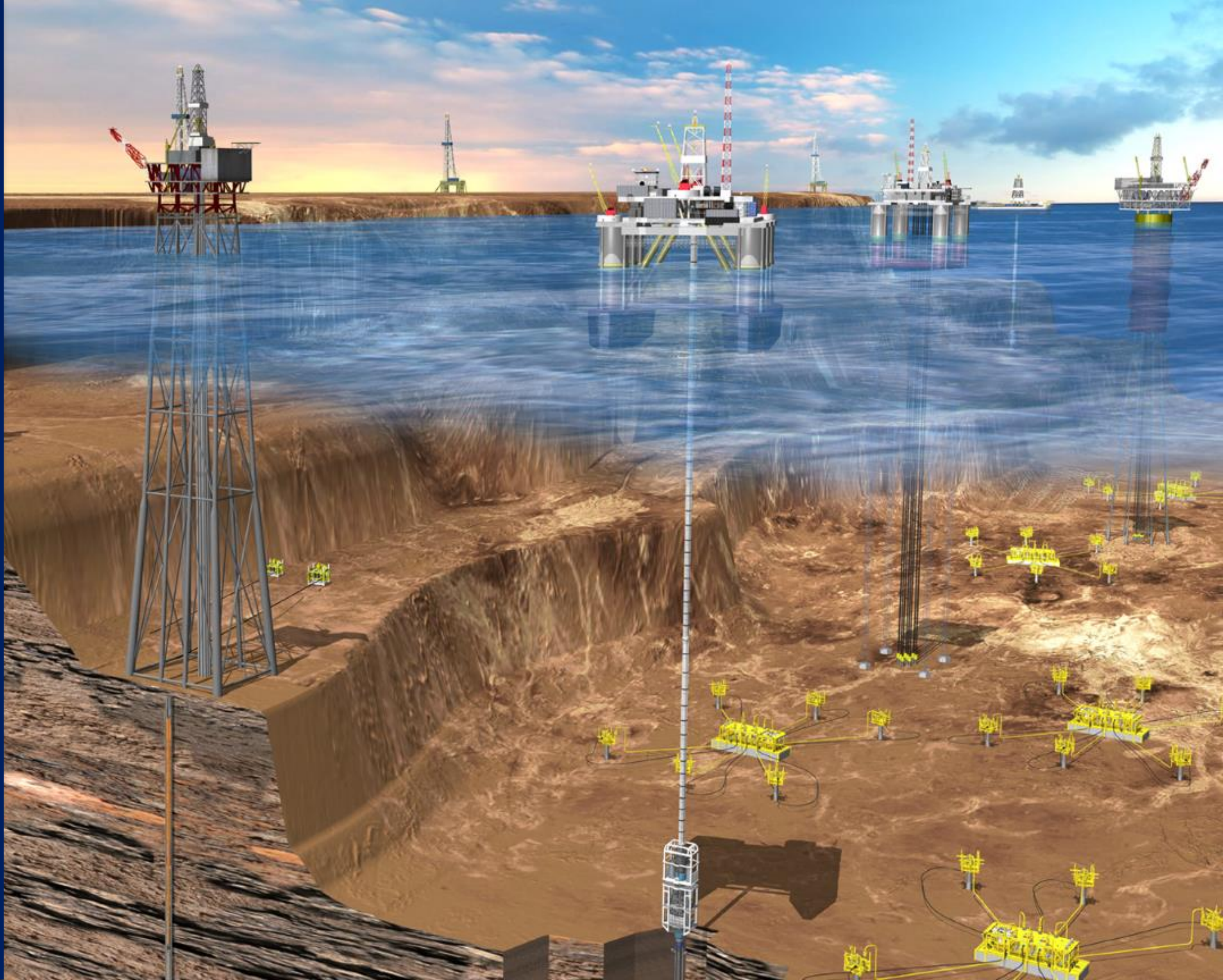
2nd Quarter 2018

Supplemental Earnings Information



Cautionary Statement

Forward-Looking Statements

The information furnished in this presentation contains "forward-looking statements" within the meaning of the federal securities laws. Forward-looking statements include goals, projections, estimates, expectations, market outlook, forecasts, plans and objectives, including revenue and other projections, acquisition opportunities, forecasted backlog, forecasted demand, liquidity, cost savings, and share repurchases and are based on assumptions, estimates and risk analysis made by management of Dril-Quip in light of its experience and perception of historical trends, current conditions, expected future developments and other factors. No assurance can be given that actual future results will not differ materially from those contained in the forward-looking statements in this presentation.

Although Dril-Quip believes that all such statements contained in this presentation are based on reasonable assumptions, there are numerous variables of an unpredictable nature or outside of Dril-Quip's control that could affect Dril-Quip's future results and the value of its shares. Each investor must assess and bear the risk of uncertainty inherent in the forward-looking statements contained in this presentation.

Please refer to Dril-Quip's filings with the SEC for additional discussion of risks and uncertainties that may affect Dril-Quip's actual future results. Dril-Quip undertakes no obligation to update the forward-looking statements contained herein.

Use of Non-GAAP Financial Measures

We provide Adjusted net income, Adjusted diluted EPS, and Adjusted EBITDA to evaluate and compare more effectively the results of our operations period over period and identify operating trends by removing the effect of our capital structure from our operating structure. We calculate Free Cash Flow as net cash provided by operating activities less net cash used in the purchase of property, plant, and equipment. These measurements are used in concert with net income and net cash provided by operating activities, respectively, which measure actual cash generated in the period. We believe that these non-GAAP measures are supplemental measurement tools used by analysts and investors to help evaluate overall operating performance, ability to pursue and service possible debt opportunities and make future capital expenditures. These metrics do not represent funds available for our discretionary use and are not intended to represent or to be used as a substitute for net income or net cash provided by operating activities, as measured under U.S. generally accepted accounting principles. The items excluded from Adjusted net income, Adjusted EBITDA and Free Cash Flow, but included in the calculation of reported net income and net cash provided by operating activities, as applicable, are significant components of the consolidated statements of income and must be considered in performing a comprehensive assessment of overall financial performance. Our calculation of Adjusted EBITDA, Adjusted Net Income, Adjusted Diluted EPS and Free Cash Flow may not be consistent with calculations used by other companies. Reconciliations of these non-GAAP measures to the most directly comparable GAAP measure can be found on slides 16 – 17.

Dril-Quip Overview

- Leading manufacturer of highly engineered drilling & production equipment
- Technically differentiated products & first-class service
- Strong financial position
- Historically superior margins to peers
- Experienced management team

Products & Services

Subsea Equipment
Subsea Wellheads
Mudline Suspension Systems
Specialty Connectors
Subsea Production Trees
Subsea Manifolds
Subsea Control Systems
Production Risers
Production Riser Tensioners

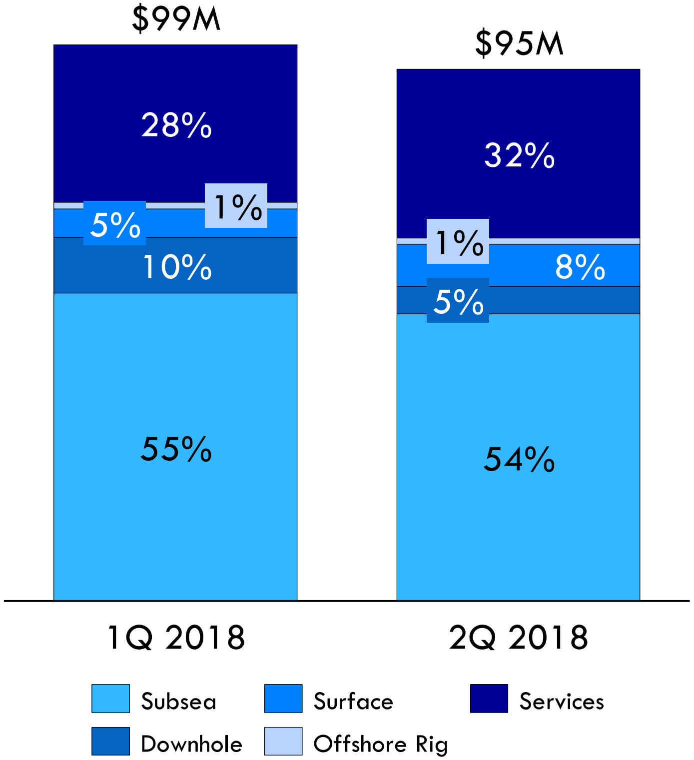
Downhole Tools
Liner Hangers
Specialty DH Tools
Production Packers
Saftey Valves

Surface Equipment
Platform Wellheads
Platform Prod. Trees

Services
Reconditioning
Rental Tools
Technical Advisory

Offshore Rig Equipment
Wellhead Connectors
Diverters
Drilling Risers

Breakdown of Product & Service Revenue

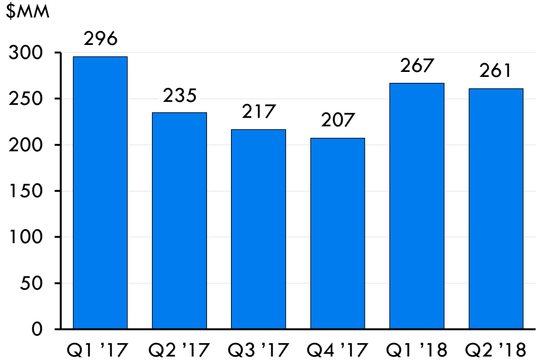


Dril-Quip Snapshot

MARKET INFORMATION

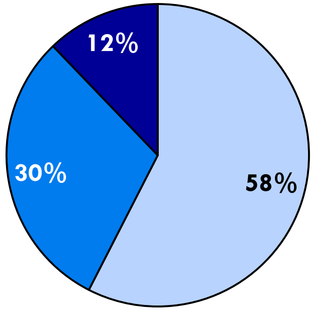
Ticker	DRQ
Share Price (7/25/18)	$56.00
52-Week Range	$35.85 - $58.95
YTD Return	17.4%
Shares Outstanding (mm)	37.5
Market Cap ($mm)	$2,103
Enterprise Value ($mm)	$1,609

ENDING BACKLOG

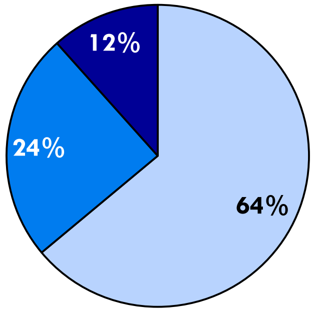


SEGMENT REVENUE

1Q 2018: $99 million



2Q 2018: $95 million



Western Hemisphere | Eastern Hemisphere | Asia-Pacific

BALANCE SHEET as of 6/30/2018 ($MM)

Cash & Cash Equivalents	$493
PP&E (net)	283
Goodwill	47
Total Assets	**$1,362**
ST Debt	-
LT Debt	-
Total Liabilities	**$86**
Total Equity	**$1,275**

BALANCE SHEET METRICS ($MM)

Non-cash Working Capital	$403
Book Value / Share	$33.97
Cash / Share	$13.14
Non-cash WC / Share	$10.72
Total Debt / Capitalization	0%
YTD Share Repurchases	$10

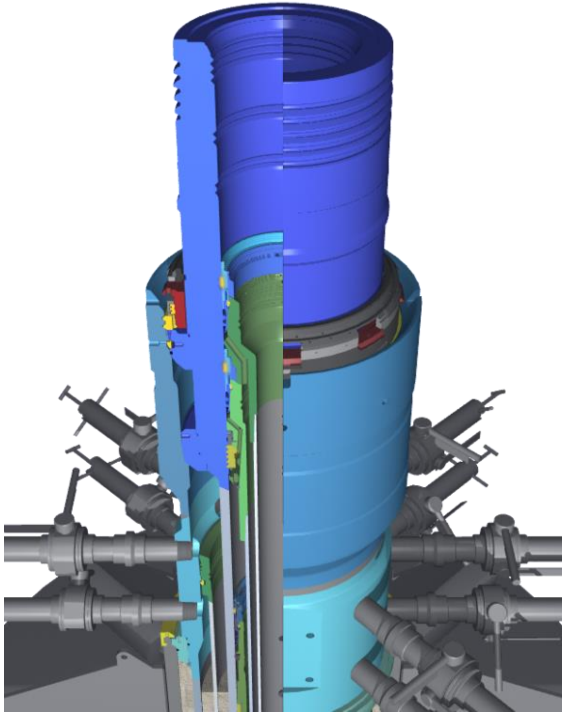
Note: Q2 '18 ending backlog does not include bookings from Sea Lion Phase1.
Note 2: Please refer to appendix for metric definitions.

Q2 2018 Highlights

- Generated $94.9 million of revenue, down 4% sequentially
- Net loss of $3.0 million, or $0.08 loss per diluted share, including gains of $0.16 per share
- Adjusted net loss of $8.8 million excluding gains, or $0.24 loss per diluted share
- Net cash provided by operating activities of $12.1 million
- Cash on hand of $493.4 million as of June 30, 2018
- Completed $9.8 million in common stock repurchases
- Maintained clean balance sheet with no debt as of June 30, 2018
- Signed LOI with Premier Oil to provide subsea production systems for Sea Lion Phase 1
- Targeting $40 - $50 million of annualized cost reductions by fourth quarter of 2019

Market Update

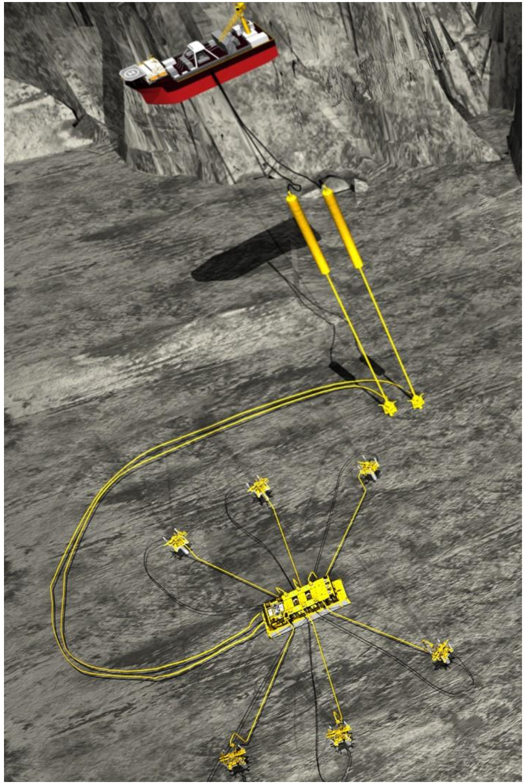
- Signs of increased bidding and service activity; oil price & rig environments uncertain
- Several projects nearing final investment decision; dependent on financing
- Letter of Intent (LOI) signed with Premier Oil to provide subsea production systems for Sea Lion Phase 1
- Repsol's Ca Rong Do (CRD) project continues to experience delays
  - Letter of Award extended through March 2019
- Expecting expansion of backlog throughout the remainder of 2018 assuming current oil price environment



Operating in Trough as Backlog Starts to Build

Sea Lion LOI with Premier Oil

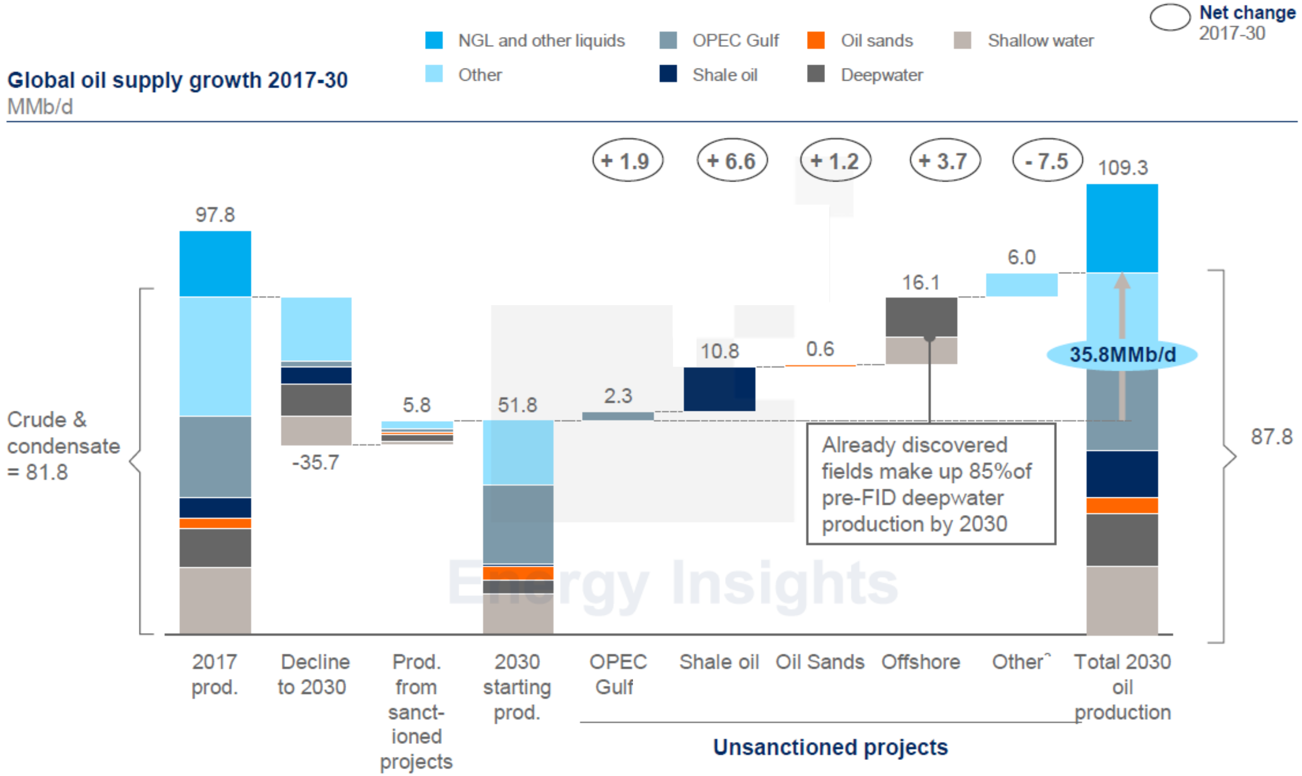
- Location: Offshore Falkland Islands
- Scope of work:
  - Pre-sanction engineering work (August 2018)
  - 23 subsea production systems (includes wellheads, trees, & control systems)
  - Injection manifolds
  - Subsea umbilicals
  - Related services
- Formal contract award dependent on Final Investment Decision (FID)
  - Premier working towards FID by end of year[1]
- Dril-Quip to provide vendor financing for portion of contract
  - Premier expected to finance ~25% of Phase 1 with vendor loan notes[1]



Leveraging New Technology and Strong Balance Sheet in Pursuit of Key Awards

[1] Per Premier Oil investor presentation dated 6/27/18.

Deepwater Outlook

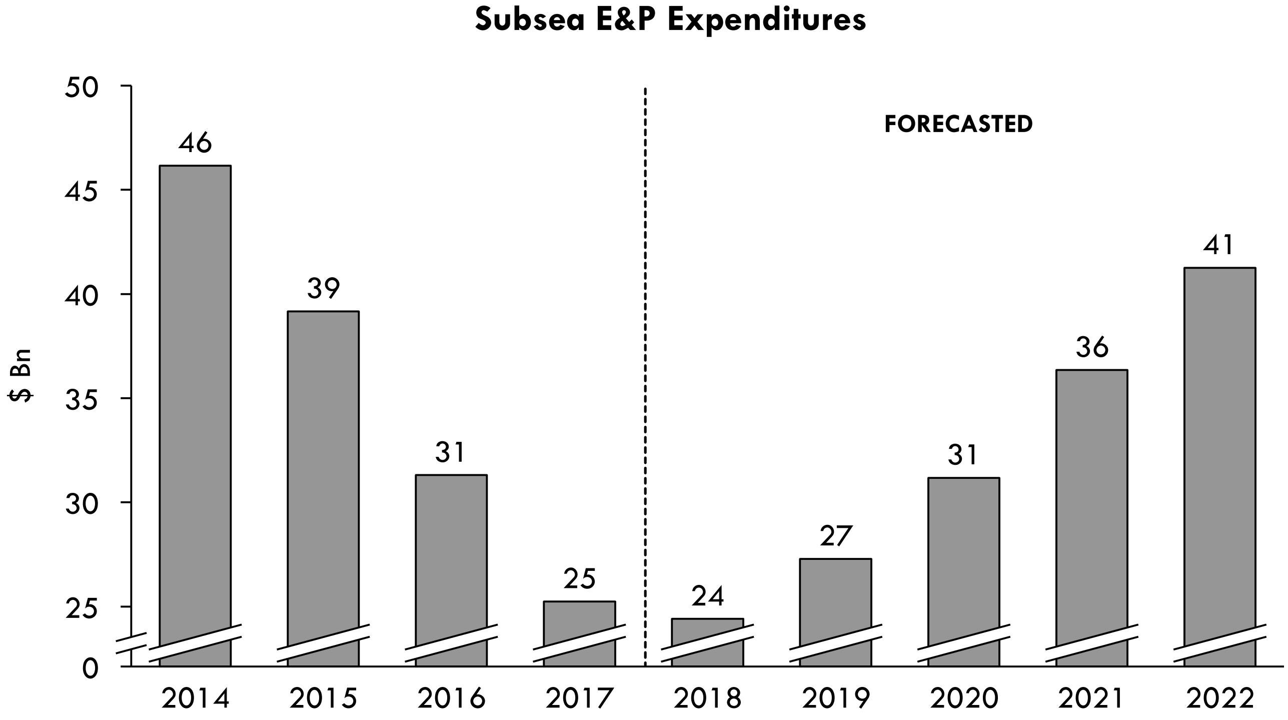


New Deepwater Project Sanctions Necessary to Satisfy Long-Term Demand

Source: McKinsey Energy Insights

Subsea E&P Spending Trough in 2018

- Subsea E&P spending expected to remain muted throughout year
- Signs of increased bidding activity to prompt increased offshore spending in 2019 and beyond



Subsea Outlook Projected to Improve

Source: Rystad Energy

Liquidity Allocation Strategy

SOURCES

($ millions)

Internal Cash	$493
ABL Credit Facility	$63
Available Liquidity	**$556**

Notes

- Balances as of June 30, 2018
- ABL put in place on February 23, 2018
- Shelf registration statement filed on February 27, 2018 for general planning purposes

POTENTIAL USES

- Fund R&D
- Support Upturn
- Return Cash to Shareholders
- Pursue Complementary Acquisitions

Liquidity in Place in Preparation for Upturn

Common Stock Repurchases

- $100 million share-repurchase program in progress
  - Authorization in place with no expiration date
  - Completed $9.8 million in common stock repurchases in second quarter of 2018
  - 219,102 shares repurchased at an average purchase price of $45
  - Maximum dollar value remaining is $90.2 million as of June 30, 2018

Seeking Opportunities to Create Value for Shareholders

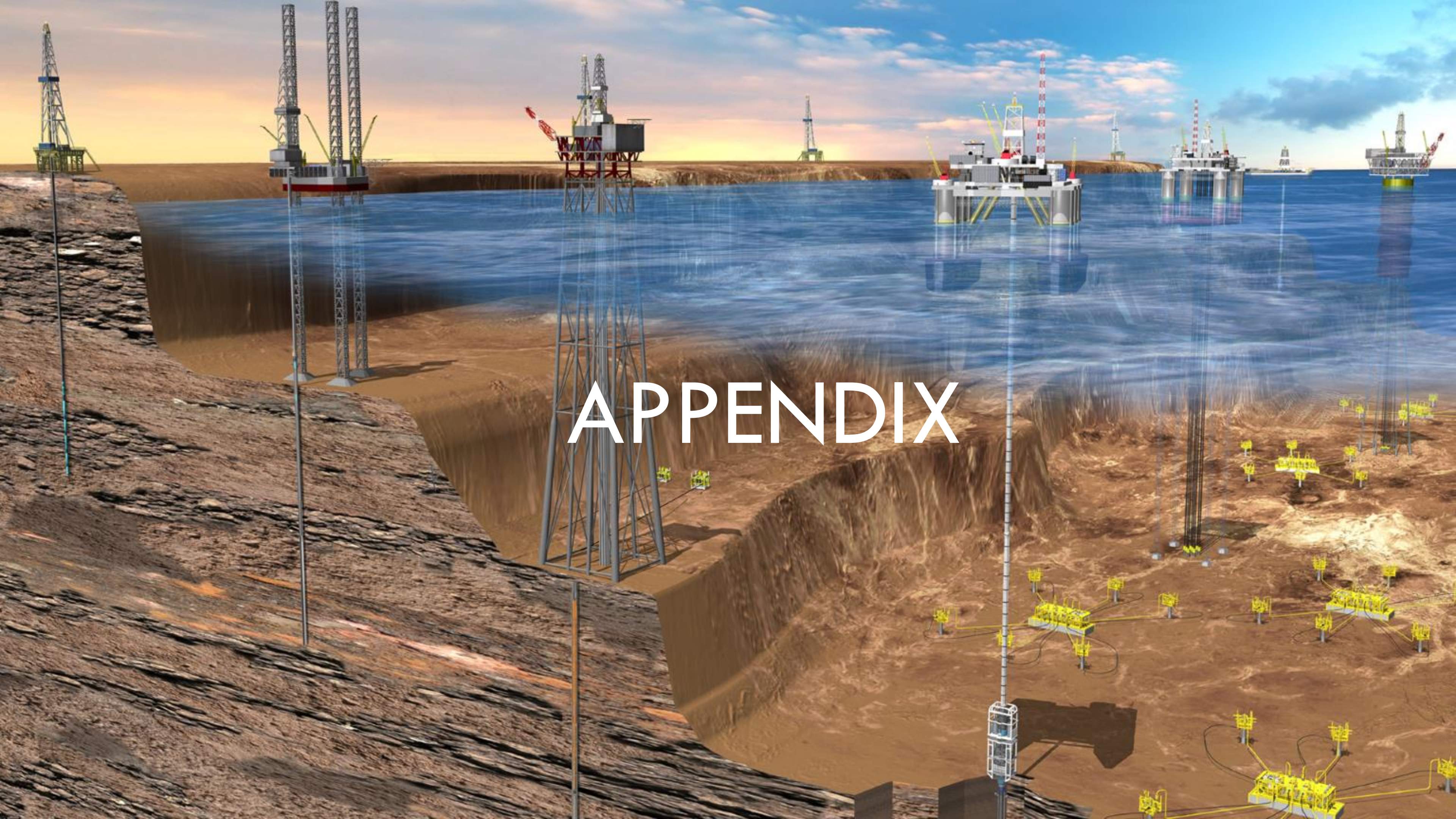
Operating Plan in Current Environment

- Full-year 2018 revenue expected to be between $350 - $370 million

- Q3 & Q4 2018 revenue expected to be between $80 - $90 million

- Targeting $40 - $50 million of annualized cost reductions by the fourth quarter of 2019
  - Benefits of cost reductions not materially expected until 2019

Streamlining Structural Cost Base to Operate in Any Price Environment



APPENDIX

Income Statement

	Three months ended		
	June 30, 2018	March 31, 2018	June 30, 2017
	(In thousands, except per share data)		
Revenues:			
Products	$ 64,719	$ 71,045	$ 102,092
Services	30,142	28,128	25,830
Total revenues	94,861	99,173	127,922
Costs and expenses:			
Cost of sales	69,443	67,750	87,549
Selling, general and administrative	23,739	28,253	31,179
Engineering and product development	10,526	9,447	10,308
Impairment and other charges	(5,099)	-	-
Total costs and expenses	98,609	105,450	129,036
Operating income (loss)	(3,748)	(6,277)	(1,114)
Interest income	2,275	1,797	1,070
Interest expense	(151)	2	(18)
Income tax provision (benefit)	1,418	2,901	(77)
Net income (loss)	$ (3,042)	$ (7,383)	$ 15
Earnings (loss) per share	$ (0.08)	$ (0.20)	$ –
Depreciation and amortization	$ 9,001	$ 8,241	$ 12,881
Capital expenditures	$ 9,034	$ 10,571	$ 8,089

Balance Sheet

	As of	
	June 30, 2018	December 31, 2017
	(In thousands)	
Assets:		
Cash and cash equivalents	$ 493,422	$ 493,180
Other current assets	483,000	515,369
PP&E,net	283,040	284,247
Other assets	102,229	107,009
Total assets	$ 1,361,691	$ 1,399,805
Liabilities and Stockholders' Equity:		
Current liabilities	80,469	99,911
Long-term liabilities	–	–
Deferred taxes	3,055	3,432
Other long-term liabilities	2,720	2,001
Total liabilities	$ 86,244	$ 105,344
Stockholders' equity	1,275,447	1,294,461
Total liabilities and stockholders' equity	$ 1,361,691	$ 1,399,805

Non-GAAP Financial Measures

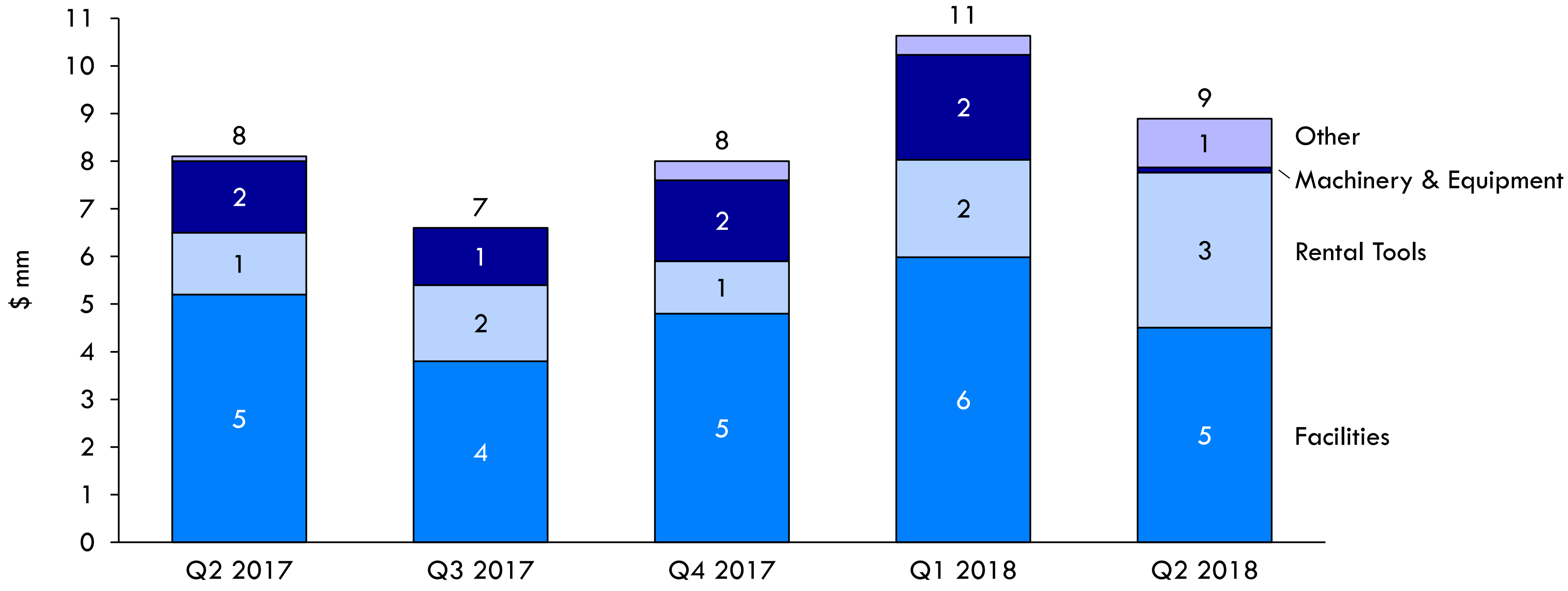
Adjusted Net Income and EPS:	Three months ended					
	June 30, 2018		March 31, 2018		June 30, 2017	
	Effect on net income (after-tax)	Impact on diluted earnings per share	Effect on net income (after-tax)	Impact on diluted earnings per share	Effect on net income (after-tax)	Impact on diluted earnings per share
	(In thousands, except per share amounts)					
Net income (loss)	$ (3,042)	$ (0.08)	$ (7,383)	$ (0.20)	$ 15	$ –
Adjustments (after tax)						
Reverse effect of foreign currency	(1,703)	(0.05)	1,059	0.03	2,988	0.08
Restructuring costs	–	–	474	0.01	–	–
Gain on sale of assets	(4,028)	(0.11)	–	–	–	–
Add back severance payments	–	–	–	–	247	0.01
Adjusted net income (loss)	$ (8,773)	$ (0.24)	$ (5,850)	$ (0.16)	$ 3,250	$ 0.09

Non-GAAP Financial Measures

Adjusted EBITDA:	Three months ended		
	June 30, 2018	**March 31, 2018**	**June 30, 2017**
		(In thousands)	
Net Income (Loss)	$ (3,042)	$ (7,383)	$ 15
Add:			
Interest (income) expense	(2,124)	(1,795)	(1,088)
Income tax expense (benefit)	1,418	2,901	(77)
Depreciation and amortization expense	9,001	8,241	12,881
Restructuring costs	-	600	-
Gain on sale of assets	(5,099)		-
Foreign currency loss (gain)	(2,155)	1,304	3,689
Severance costs	-	-	305
Stock compensation expense	3,611	3,974	3,567
Adjusted EBITDA	$ 1,610	$ 7,842	$ 19,292

Free Cash Flow:	Three months ended		
	June 30, 2018	**March 31, 2018**	**June 30, 2017**
		(In thousands)	
Net cash provided by operating activities	$ 12,078	$ 11,388	$ 27,224
Less:			
Purchase of property, plant and equipment	(9,034)	(10,571)	(8,089)
Free Cash Flow	$ 3,044	$ 817	$ 19,135

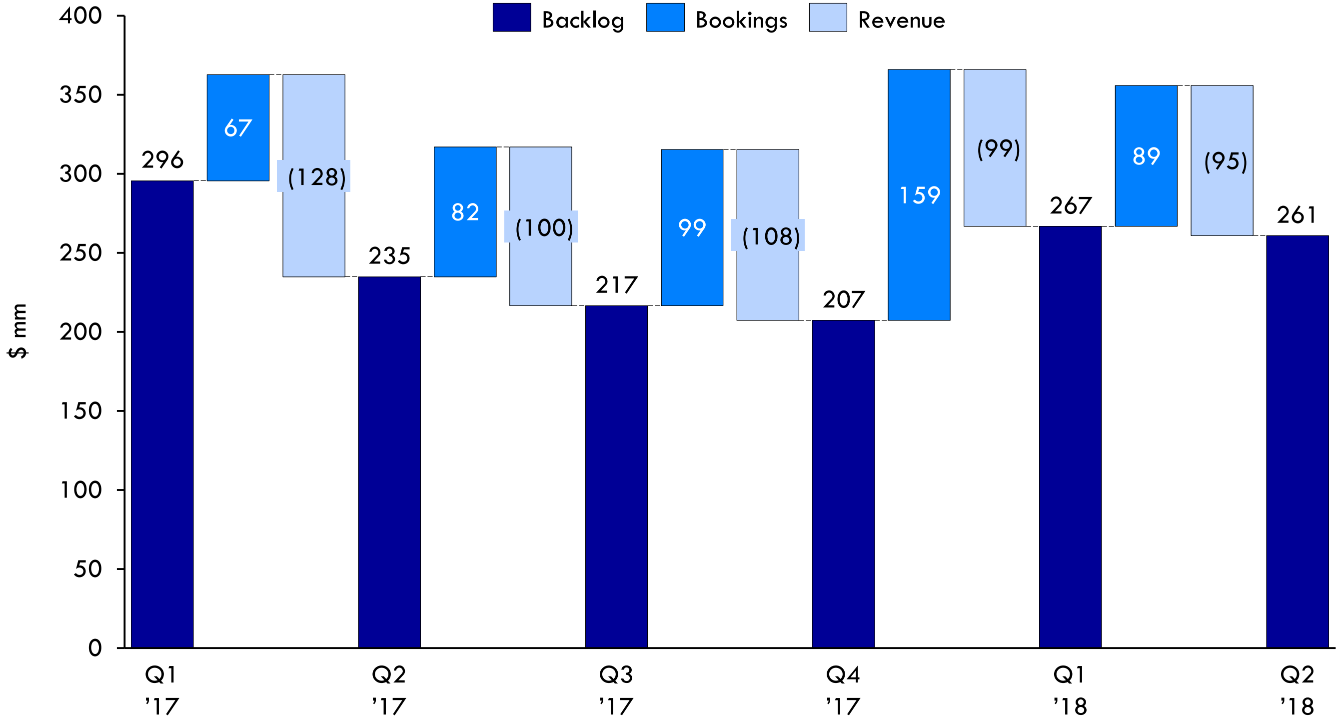
Capital Expenditures



Annual Maintenance Capex ~$15 - $20 Million

Note: Sum of components may not foot due to rounding

Backlog



- 70% – 80% of year-end 2017 backlog expected to convert to revenue in twelve months or less
- Bookings require shorter lead times due to available capacity and inventory on hand
- Uncertainty of oil prices placing downward pressure on bookings

The backlog data shown above includes all bookings as of June 30, 2018, including contract awards and signed purchase orders for which the contracts would not be considered enforceable under ASC 606. Bookings include revisions/(cancellations) of $(2.8) mm for Q2 2017, $0.1 mm for Q3 2017, $(1.3) mm for Q4 2017, $(0.3) mm for Q1 2018, $(3.9) mm for Q2 2018.

Note: Sum of components may not foot due to rounding

Financial Metric Definitions

- **Market Capitalization** = Share Price x Total Shares Outstanding
- **Enterprise Value** = Market Capitalization + Debt – Cash and Cash Equivalents
- **Non-cash Working Capital** = (Current Assets – Cash) – Current Liabilities
- **Book Value / Share** = Total Shareholders' Equity / Total Shares Outstanding
- **Cash / Share** = Cash & Cash Equivalents / Total Shares Outstanding
- **Non-cash Working Capital (WC) / Share** = Noncash Working Capital / Total Shares Outstanding
- **Total Debt / Capitalization** = Total Debt (Short-term + Long-term) / (Total Debt + Total Shareholders' Equity)