

HI-CRUSH PARTNERS LP

(Historical data has been recast to include Hi-Crush Augusta LLC, Hi-Crush Blair LLC, Hi-Crush Whitehall LLC and PDQ Properties LLC for all periods leading up to their contribution into the Partnership)

(in thousands, except tons, per ton and per unit amounts)

	2015					2016					2017					2018				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	FY	
Statement of Operations Data:																				
Revenues	\$ 102,111	\$ 83,958	\$ 81,494	\$ 72,077	\$ 339,640	\$ 52,148	\$ 38,429	\$ 46,556	\$ 67,297	\$ 204,430	\$ 83,364	\$ 135,220	\$ 167,583	\$ 216,456	\$ 602,623	\$ 218,113	\$ 248,520	\$ 213,972	\$ 680,605	
Cost of goods sold (excluding depreciation, depletion and amortization)	63,126	57,527	60,480	58,492	239,625	48,667	35,425	41,684	62,532	188,308	72,083	99,882	119,955	146,428	438,348	141,983	154,531	147,583	444,097	
Depreciation, depletion and amortization	2,571	5,946	6,102	1,994	16,613	3,488	4,266	4,929	4,349	17,032	4,828	7,596	8,805	8,220	29,449	7,799	10,482	10,241	28,522	
Gross profit (loss)	36,414	20,485	14,912	11,591	83,402	(7)	(1,262)	(57)	416	(910)	6,453	27,742	38,823	61,808	134,826	68,331	83,507	56,148	207,986	
Operating costs and expenses:																				
General and administrative expenses	7,229	7,449	7,411	5,722	27,811	15,003	6,616	8,499	5,383	35,501	9,677	8,961	9,583	10,787	39,008	10,940	12,616	16,266	39,822	
Accretion of asset retirement obligations	97	98	99	100	394	103	107	109	111	430	114	114	115	115	458	126	123	124	373	
Impairments and other operating expenses	-	-	23,718	1,941	25,659	33,747	103	148	27	34,025	-	143	200	522	865	1,021	184	631	1,836	
Other operating income	-	-	-	(12,310)	(12,310)	-	-	-	-	-	-	-	(3,554)	-	(3,554)	-	-	-	-	
Income (loss) from operations	29,088	12,938	(16,316)	16,138	41,848	(48,860)	(8,088)	(8,813)	(5,105)	(70,866)	(3,338)	18,524	32,479	50,384	98,049	56,244	70,584	39,127	165,955	
Other income (expense):																				
Earnings (loss) from equity method investments	-	-	-	-	-	-	-	-	-	-	(566)	296	128	217	75	1,166	1,144	1,624	3,934	
Interest expense	(3,371)	(2,984)	(3,547)	(4,224)	(14,126)	(3,640)	(4,071)	(2,921)	(3,021)	(13,653)	(2,927)	(2,440)	(2,800)	(3,091)	(11,258)	(3,461)	(3,720)	(7,973)	(15,154)	
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,332)	(4,332)	-	-	(6,233)	(6,233)	
Net income (loss)	\$ 25,717	\$ 9,954	\$ (19,863)	\$ 11,914	\$ 27,722	\$ (52,500)	\$ (12,159)	\$ (11,734)	\$ (8,126)	\$ (84,519)	\$ (6,831)	\$ 16,380	\$ 29,807	\$ 43,178	\$ 82,534	\$ 53,949	\$ 68,008	\$ 26,545	\$ 148,502	
Earnings (loss) per limited partner unit (a)																				
Limited partner units - basic (a)	\$ 0.61	\$ 0.31	\$ (0.49)	\$ 0.30	\$ 0.73	\$ (1.39)	\$ (0.26)	\$ (0.21)	\$ (0.11)	\$ (1.64)	\$ (0.07)	\$ 0.18	\$ 0.33	\$ 0.48	\$ 0.97	\$ 0.60	\$ 0.68	\$ 0.30	\$ 1.67	
Limited partner units - diluted (a)	\$ 0.60	\$ 0.31	\$ (0.49)	\$ 0.30	\$ 0.73	\$ (1.39)	\$ (0.26)	\$ (0.21)	\$ (0.11)	\$ (1.64)	\$ (0.07)	\$ 0.18	\$ 0.32	\$ 0.47	\$ 0.96	\$ 0.59	\$ 0.67	\$ 0.29	\$ 1.64	
Distributions per limited partner unit	\$ 0.6750	\$ 0.4750	\$ -	\$ -	\$ 1.1500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.1500	\$ 0.2000	\$ 0.3500	\$ 0.2250	\$ 0.7500	\$ 0.2250	\$ 1.2000	
Reconciliation of EBITDA, Adjusted EBITDA and																				
Net income (loss)	\$ 25,717	\$ 9,954	\$ (19,863)	\$ 11,914	\$ 27,722	\$ (52,500)	\$ (12,159)	\$ (11,734)	\$ (8,126)	\$ (84,519)	\$ (6,831)	\$ 16,380	\$ 29,807	\$ 43,178	\$ 82,534	\$ 53,949	\$ 68,008	\$ 26,545	\$ 148,502	
Depreciation and depletion expense	2,261	5,636	5,791	1,996	15,684	3,491	4,266	4,932	4,350	17,039	4,829	7,599	8,806	8,222	29,456	7,799	10,482	10,241	28,522	
Amortization expense	733	733	733	421	2,620	420	421	420	421	1,682	420	421	421	419	1,681	421	420	1,215	2,056	
Interest expense	3,371	2,984	3,547	4,224	14,126	3,640	4,071	2,921	3,021	13,653	2,927	2,440	2,800	3,091	11,258	3,461	3,720	7,973	15,154	
EBITDA	32,082	19,307	(9,792)	18,555	60,152	(44,949)	(3,401)	(3,461)	(334)	(52,145)	1,345	26,840	41,834	54,910	124,929	65,630	82,630	45,974	194,234	
Non-cash impairments of goodwill and long-lived	-	-	23,061	1,731	24,792	33,745	-	-	-	33,745	-	-	-	-	-	-	-	-	-	
(Earnings) loss from equity method investments	-	-	-	-	-	-	-	-	-	-	566	(296)	(128)	(217)	(75)	(1,166)	(1,144)	(1,624)	(3,934)	
Loss on extinguishment of debt	-	-	-	-	-	-	-	-	-	-	-	-	-	4,332	4,332	-	-	6,233	6,233	
Adjusted EBITDA	32,082	19,307	13,269	20,286	84,944	(11,204)	(3,401)	(3,461)	(334)	(18,400)	1,911	26,544	41,706	59,025	129,186	64,464	81,486	50,583	196,533	
Less: Cash interest paid	(2,959)	(2,569)	(3,132)	(3,173)	(11,833)	(3,246)	(3,344)	(2,548)	(2,649)	(11,787)	(2,554)	(2,068)	(2,427)	(2,818)	(9,867)	(3,266)	(3,477)	(7,649)	(14,392)	
Less: Maintenance and replacement capital expenditures, including accrual for reserve	(1,564)	(1,650)	(1,877)	(1,671)	(6,762)	(1,245)	(1,164)	(1,554)	(1,717)	(5,680)	(1,845)	(2,945)	(3,399)	(5,553)	(13,742)	(4,675)	(5,561)	(4,914)	(15,150)	
Add: Accretion of asset retirement obligations	97	98	99	100	394	103	107	109	111	430	114	114	115	115	458	126	123	124	373	
Add: Unit-based compensation	884	1,053	1,048	(2)	2,983	930	930	1,155	(395)	2,620	1,178	1,219	1,509	1,808	5,714	1,801	1,810	1,897	5,508	
Distributable cash flow	28,540	16,239	9,407	15,540	69,726	(14,662)	(6,872)	(6,299)	(4,984)	(32,817)	(1,196)	22,864	37,504	52,577	111,749	58,450	74,381	40,041	172,872	
Adjusted for: Distributable cash flow attributable to assets contributed by the sponsor, prior to the period in which the contribution occurred (c)	(2,325)	411	863	151	(900)	835	627	(400)	579	1,641	1,247	-	-	-	1,247	-	-	-	-	
Distributable cash flow attributable to Hi-Crush Partners LP	26,215	16,650	10,270	15,691	68,826	(13,827)	(6,245)	(6,699)	(4,405)	(31,176)	51	22,864	37,504	52,577	112,996	58,450	74,381	40,041	172,872	
Less: Distributable cash flow attributable to holders of incentive distribution rights	(1,311)	-	-	-	(1,311)	-	-	-	-	-	-	-	-	(593)	-	(2,047)	(7,821)	-	(7,664)	
Distributable cash flow attributable to limited partner unitholders	\$ 24,904	\$ 16,650	\$ 10,270	\$ 15,691	\$ 67,515	\$ (13,827)	\$ (6,245)	\$ (6,699)	\$ (4,405)	\$ (31,176)	\$ 51	\$ 22,864	\$ 37,504	\$ 51,984	\$ 112,996	\$ 56,403	\$ 66,560	\$ 40,041	\$ 165,208	

(a) Amounts of incremental income or losses recast to periods prior to the Augusta, Blair, Whitehall and PDQ Properties contributions are excluded from the calculation of net income per limited partner unit.

(b) Maintenance and replacement capital expenditures, including accrual for reserve replacement, were determined based on an estimated reserve replacement cost of \$1.35 per ton produced and delivered through September 30, 2017. Effective October 1, 2017, we increased the estimated reserve replacement cost to \$1.85 per ton produced and delivered, due to the addition of our Kermitt facility. Such expenditures include those associated with the replacement of equipment and sand reserves, to the extent that such expenditures are made to maintain our long-term operating capacity. The amount presented does not represent an actual reserve account or requirement to spend the capital.

(c) The Partnership's historical financial information has been recast to consolidate Augusta, Blair, Whitehall and PDQ Properties for the periods leading up to their contribution into the Partnership. For purposes of calculating distributable cash flow attributable to Hi-Crush Partners LP, the Partnership excludes the incremental amount of recast distributable cash flow earned during the periods prior to the contributions.

HI-CRUSH PARTNERS LP

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(in thousands, except tons, per ton and per unit amounts)

	2015					2016					2017					2018				
	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	FY	
Liquidity (at period end):																				
Cash	\$ 7,123	\$ 8,166	\$ 6,410	\$ 13,242	\$ 13,242	\$ 6,238	\$ 39,936	\$ 24,881	\$ 4,521	\$ 4,521	\$ 55,498	\$ 27,490	\$ 23,906	\$ 5,662	\$ 5,662	\$ 10,113	\$ 25,433	\$ 175,430	\$ 175,430	
Debt																				
Senior Notes																\$ -	\$ -	\$ 440,622	\$ 440,622	
ABL Credit Agreement																-	-	-	-	
Revolving Credit Agreement (a)	\$ 12,500	\$ 37,500	\$ 52,500	\$ 52,500	\$ 52,500	\$ 52,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-	
Term Loan Credit Facility (a)(b)	196,259	195,830	195,400	190,617	190,617	190,391	190,166	189,940	189,715	189,715	189,490	189,265	189,039	194,365	194,365	194,045	193,741	-	-	
Other notes payable	3,676	3,676	3,676	6,924	6,924	5,667	4,991	4,074	6,705	6,705	5,743	5,223	4,191	3,054	3,054	2,097	1,129	4,142	4,142	
Total debt	\$ 212,435	\$ 237,006	\$ 251,576	\$ 250,041	\$ 250,041	\$ 248,558	\$ 195,157	\$ 194,014	\$ 196,420	\$ 196,420	\$ 195,233	\$ 194,488	\$ 193,230	\$ 197,419	\$ 197,419	\$ 196,142	\$ 194,870	\$ 444,764	\$ 444,764	
HCLP Credit Agreement																				
Capacity	\$ 150,000	\$ 150,000	\$ 150,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 119,151	\$ 119,151	
Availability	\$ 130,568	\$ 104,811	\$ 89,811	\$ 39,847	\$ 39,847	\$ 39,847	\$ 67,413	\$ 67,055	\$ 66,368	\$ 66,368	\$ 59,681	\$ 58,231	\$ 58,234	\$ 104,334	\$ 104,334	\$ 103,847	\$ 103,580	\$ 97,731	\$ 97,731	
Supplemental Information (at period end):																				
Common units outstanding					36,959,970		37,063,547	49,139,227	63,667,519	63,668,244		91,017,937	91,030,490	91,030,707	89,009,188	89,009,188	88,392,179	88,392,179	89,866,063	89,866,063
Capital expenditures for property, plant and					\$ 127,217		\$ 13,441	\$ 30,929	\$ 38,406	\$ 44,011		\$ 20,380	\$ 67,930	\$ 108,116	\$ 122,032	\$ 122,032	\$ 11,873	\$ 36,628	\$ 18,289	\$ 66,790
Operating Data:																				
Total sand sold (in tons)	1,195,343	1,190,156	1,409,032	1,209,171	5,003,702	962,998	849,263	1,082,974	1,358,511	4,253,746	1,384,887	2,112,516	2,456,195	2,985,115	8,938,713	2,617,627	3,037,504	2,775,360	8,430,491	
Sand produced and delivered (in tons)	1,158,680	1,222,244	1,389,773	1,238,263	5,008,960	922,072	862,868	1,150,341	1,271,763	4,207,044	1,366,812	2,181,276	2,517,752	3,001,744	9,067,584	2,527,037	3,006,091	2,655,831	8,188,959	
Average price per ton sold	\$ 73	\$ 67	\$ 57	\$ 52	\$ 62	\$ 54	\$ 45	\$ 43	\$ 49	\$ 48	\$ 60	\$ 64	\$ 68	\$ 71	\$ 67	\$ 73	\$ 70	\$ 64	\$ 69	
Contribution margin	\$ 38,985	\$ 26,431	\$ 21,014	\$ 13,585	\$ 100,015	\$ 3,481	\$ 3,004	\$ 4,872	\$ 4,765	\$ 16,122	\$ 11,281	\$ 35,338	\$ 47,628	\$ 70,028	\$ 164,275	\$ 76,130	\$ 93,989	\$ 66,389	\$ 236,508	
Contribution margin per ton sold	\$ 32.61	\$ 22.21	\$ 14.91	\$ 11.23	\$ 19.99	\$ 3.61	\$ 3.54	\$ 4.50	\$ 3.51	\$ 3.79	\$ 8.15	\$ 16.73	\$ 19.39	\$ 23.46	\$ 18.38	\$ 29.08	\$ 30.94	\$ 23.92	\$ 28.05	
% of railcars shipped via unit trains	9 %	14 %	18 %	29 %		38 %	39 %	43 %	38 %	39 %	45 %	68 %	65 %	68 %	63 %	64 %	73 %	81 %	69 %	
Railcar lease expense	\$ 4,700	\$ 5,000	\$ 5,900	\$ 6,600	\$ 22,200	\$ 7,100	\$ 7,500	\$ 7,300	\$ 7,000	\$ 28,900	\$ 6,900	\$ 6,900	\$ 6,800	\$ 6,800	\$ 27,400	\$ 6,900	\$ 7,500	\$ 8,700	\$ 23,100	
Operating Assets (at period end):																				
Production capacity (tons per year) (c)(d)	7,570,000	7,570,000	7,570,000	7,570,000	7,570,000	10,430,000	10,430,000	10,430,000	10,430,000	10,430,000	10,430,000	10,430,000	13,430,000	13,430,000	13,430,000	13,430,000	13,430,000	13,430,000	13,430,000	
Production facilities	3	3	3	3	3	4	4	4	4	4	4	4	5	5	5	5	5	5	5	
Terminals owned or operated	14	14	14	14	14	15	15	12	11	11	11	11	11	12	12	12	12	12	12	
Railcar fleet																				
Leased or Owned	2,880	2,898	3,542	3,947	3,947	4,142	4,214	4,208	4,200	4,200	4,180	4,173	4,172	4,253	4,253	4,238	4,884	4,985	4,985	
Customer or System	3,502	2,452	2,191	2,104	2,104	1,869	1,546	1,531	1,358	1,358	944	1,866	2,228	2,404	2,404	2,422	2,418	2,453	2,453	
Total	6,382	5,350	5,733	6,051	6,051	6,011	5,760	5,739	5,558	5,558	5,124	6,039	6,400	6,657	6,657	6,660	7,302	7,438	7,438	

(a) In December 2017, the Partnership refinanced its Revolving Credit Agreement and Term Loan Credit Facility.

(b) Term Loan Credit Facility is presented net of unamortized original issue discount and unamortized debt issuance costs.

(c) The Augusta facility, with an annual processing capacity of approximately 2,860,000, was idled in October 2015 and resumed production in September 2016.

(d) The Whitehall facility, with an annual processing capacity of approximately 2,860,000, was idled in the second quarter of 2016 and resumed production in March 2017.