

Non-GAAP Financial Measures

From time to time, management may publicly disclose certain “non-GAAP financial measures” in our earnings releases, financial presentations or earnings conference calls. These non-GAAP measures may include adjusted income/loss from continuing operations on a consolidated basis, adjusted income/loss from operations and Adjusted EBITDA on consolidated basis and by segment. The Company provides reconciliations to the nearest Generally Accepted Accounting Principles (GAAP) measure for these and other non-GAAP measures on a quarterly basis.

These non-GAAP measures are not in accordance with, or a substitute for, measures prepared in accordance with GAAP, and may be different from non-GAAP measures used by other companies. In addition, these non-GAAP measures are not based on any comprehensive set of accounting rules or principles. Non-GAAP measures have limitations in that they do not reflect all of the amounts associated with the Company’s results of operations that would be reflected in measures determined in accordance with GAAP.

These financial measures are provided to enhance investors’ overall understanding of the Company’s current financial performance. In addition, because the Company has reported certain non-GAAP measures in the past, the Company believes the inclusion of non-GAAP measures provides consistency in the Company’s financial reporting.

The following table reconciles net income/loss from continuing operations by segment, which is the directly comparable financial measure determined in accordance with GAAP, to adjusted income/loss from operations and adjusted EBITDA by segment (non-GAAP financial measures).

Reconciliation of Adjusted Income (Loss) from Operations and Adjusted EBITDA by Segment
(in thousands)
(unaudited)

Three months ended March 31, 2019

	Drilling Products and Services	Onshore Completion and Workover Services	Production Services	Technical Solutions	Corporate and Other	Consolidated □
Reported net income (loss) from continuing operations	\$ 21,279	\$ (15,079)	\$ 1,617	\$ 102	\$ (55,624)	\$ (47,705)
Interest expense, net	-	-	-	(1,018)	26,139	25,121
Other expense	-	-	-	-	1,612	1,612
Income taxes	-	-	-	-	1,701	1,701
Income (loss) from operations	\$ 21,279	\$ (15,079)	\$ 1,617	\$ (916)	\$ (26,172)	\$ (19,271)
Depreciation, depletion, amortization and accretion	23,026	37,743	14,140	6,310	1,220	82,439
EBITDA	\$ 44,305	\$ 22,664	\$ 15,757	\$ 5,394	\$ (24,952)	\$ 63,168

Three months ended December 31, 2018

	Drilling Products and Services	Onshore Completion and Workover Services	Production Services	Technical Solutions	Corporate and Other	Consolidated □
Reported net income (loss) from continuing operations	\$ 26,678	\$ (662,061)	\$ (97,425)	\$ 7,280	\$ (24,657)	\$ (750,185)
Reduction in value of assets	-	644,813	92,252	-	2,660	739,725
Restructuring costs	465	1,611	1,280	78	500	3,934
Interest expense, net	-	-	-	(1,002)	25,747	24,745
Other expense	-	-	-	-	(2,717)	(2,717)
Income taxes	-	-	-	-	(28,587)	(28,587)
Adjusted income (loss) from operations	\$ 27,143	\$ (15,637)	\$ (3,893)	\$ 6,356	\$ (27,054)	\$ (13,085)
Depreciation, depletion, amortization and accretion	26,050	48,215	16,325	5,321	1,353	97,264
Adjusted EBITDA	\$ 53,193	\$ 32,578	\$ 12,432	\$ 11,677	\$ (25,701)	\$ 84,179

Three months ended March 31, 2018

	Drilling Products and Services	Onshore Completion and Workover Services	Production Services	Technical Solutions	Corporate and Other	Consolidated □
Reported net income (loss) from continuing operations	\$ 7,967	\$ (10,043)	\$ (14,092)	\$ 2,273	\$ (46,053)	\$ (59,948)
Restructuring costs	12	2,902	2,912	500	1,766	8,092
Interest expense, net	-	-	-	(956)	25,843	24,887
Other expense	-	-	-	-	1,735	1,735
Income taxes	-	-	-	-	(9,355)	(9,355)
Adjusted income (loss) from operations	\$ 7,979	\$ (7,141)	\$ (11,180)	\$ 1,817	\$ (26,064)	\$ (34,589)
Depreciation, depletion, amortization and accretion	29,641	47,655	19,280	7,730	1,413	105,719
Adjusted EBITDA	\$ 37,620	\$ 40,514	\$ 8,100	\$ 9,547	\$ (24,651)	\$ 71,130