

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 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 results determined in accordance with Generally Accepted Accounting Principles (GAAP), to adjusted income/loss from operations and adjusted EBITDA by segment (non-GAAP financial measures).

	Three months ended, September 30, 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	\$ 20,255	\$ 2,767	\$ (5,998)	\$ 9,948	\$ (48,788)	\$ (21,816)
Interest expense, net	-	-	-	(986)	25,938	24,952
Other expense	-	-	-	-	277	277
Income taxes	-	-	-	-	(3,521)	(3,521)
Income (loss) from operations	<u>\$ 20,255</u>	<u>\$ 2,767</u>	<u>\$ (5,998)</u>	<u>\$ 8,962</u>	<u>\$ (26,094)</u>	<u>\$ (108)</u>
Depreciation, depletion, amortization and accretion	27,830	47,299	17,085	6,329	1,349	99,892
EBITDA	<u>\$ 48,085</u>	<u>\$ 50,066</u>	<u>\$ 11,087</u>	<u>\$ 15,291</u>	<u>\$ (24,745)</u>	<u>\$ 99,784</u>
	Three months ended, June 30, 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	\$ 15,001	\$ 7,511	\$ (7,124)	\$ 6,768	\$ (47,593)	\$ (25,437)
Interest expense, net	-	-	-	(971)	25,865	24,894
Other expense	-	-	-	-	2,382	2,382
Income taxes	-	-	-	-	(3,970)	(3,970)
Income (loss) from operations	<u>\$ 15,001</u>	<u>\$ 7,511</u>	<u>\$ (7,124)</u>	<u>\$ 5,797</u>	<u>\$ (23,316)</u>	<u>\$ (2,131)</u>
Depreciation, depletion, amortization and accretion	28,590	47,423	14,303	6,273	1,384	97,973
EBITDA	<u>\$ 43,591</u>	<u>\$ 54,934</u>	<u>\$ 7,179</u>	<u>\$ 12,070</u>	<u>\$ (21,932)</u>	<u>\$ 95,842</u>
	Three months ended, September 30, 2017					
	Drilling Products and Services	Onshore Completion and Workover Services	Production Services	Technical Solutions	Corporate and Other	Consolidated □
Reported net income (loss) from continuing operations	\$ 1,165	\$ (22,717)	\$ (12,770)	\$ 5,806	\$ (28,673)	\$ (57,189)
Reduction in value of assets	-	1,838	-	8,115	-	9,953
Interest expense, net	-	-	-	(926)	30,022	29,096
Other expense	-	-	-	-	970	970
Income taxes	-	-	-	-	(28,203)	(28,203)
Adjusted income (loss) from operations	<u>\$ 1,165</u>	<u>\$ (20,879)</u>	<u>\$ (12,770)</u>	<u>\$ 12,995</u>	<u>\$ (25,884)</u>	<u>\$ (45,373)</u>
Depreciation, depletion, amortization and accretion	31,839	48,131	19,333	8,029	1,419	108,751
Adjusted EBITDA	<u>\$ 33,004</u>	<u>\$ 27,252</u>	<u>\$ 6,563</u>	<u>\$ 21,024</u>	<u>\$ (24,465)</u>	<u>\$ 63,378</u>