

Frank's International Q3 2019 Conference Call

November 5, 2019

FRANK'S
INTERNATIONAL

Q3 2019 Earnings Conference Call Agenda

Introduction – Erin Fazio, Investor Relations

Quarter Overview – Mike Kearney, President and CEO

Financial Performance – Melissa Cogle, SVP and CFO

Q & A

Corporate Information

Mike Kearney

Chairman, President and Chief Executive Officer

Melissa Cogle

Senior Vice President and Chief Financial Officer

Erin Fazio

Investor Relations

Ph: (713) 231-2515

Erin.Fazio@franksintl.com

U.S. Headquarters

Frank's International N.V.

10260 Westheimer, Suite 700

Houston, TX 77042

www.franksinternational.com

Disclaimer

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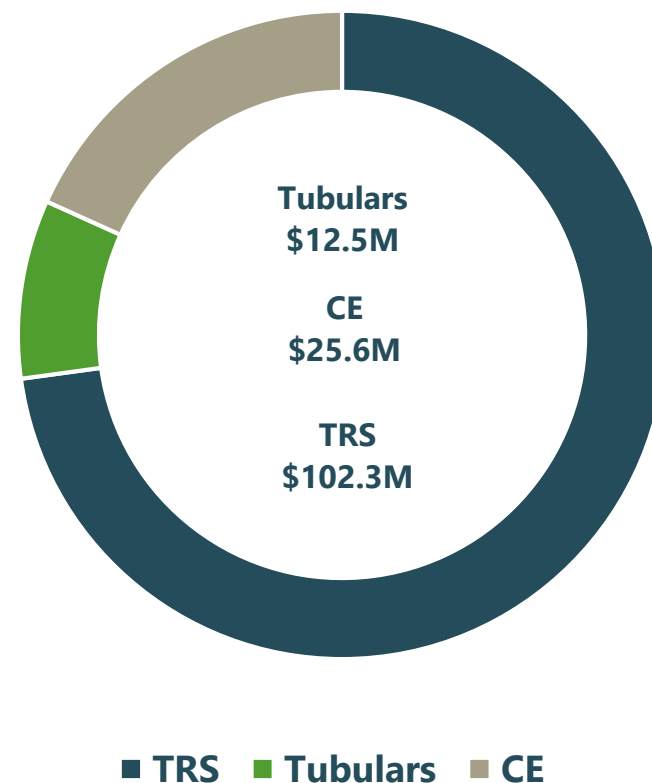
This presentation includes the non-GAAP financial measures of adjusted EBITDA and adjusted EBITDA margin, which may be used periodically by management when discussing the Company's financial results with investors and analysts. Adjusted EBITDA and adjusted EBITDA margin are presented because management believes these metrics provide additional information relative to the performance of the Company's business. These metrics are commonly employed by financial analysts and investors to evaluate the operating and financial performance of the Company from period to period and to compare it with the performance of other publicly traded companies within the industry. You should not consider adjusted EBITDA and adjusted EBITDA margin in isolation or as a substitute for analysis of the Company's results as reported under GAAP. Because adjusted EBITDA and adjusted EBITDA margin may be defined differently by other companies in the Company's industry, the Company's presentation of adjusted EBITDA and adjusted EBITDA margin may not be comparable to similarly titled measures of other companies, thereby diminishing their utility. For a reconciliation of each to the nearest comparable measure in accordance with GAAP, please see the Supplemental Financials in our earnings press release.

Total Frank's International

Q3 2019 Highlights

(\$ in millions)	3Q19	2Q19	3Q18	Quarterly Variance	Prior Year Variance
Revenue	140.4	155.7	129.0	(10)%	9 %
Net Loss	(23.8)	(15.2)	(7.0)	(57)%	(240)%
Adjusted EBITDA ⁽¹⁾	16.0	17.2	11.6	(7)%	38 %
Adjusted EBITDA margin ⁽¹⁾	11%	11%	9%		
EPS	\$ (0.11)	\$ (0.07)	\$ (0.03)	(57)%	(267)%
Operating Cash Flow	25.9	12.4	2.5	109 %	948%
Cash, Cash Equivalents and ST Investments	190.5	172.1	246.6	11 %	(23)%
Purchases of Property, Plant & Equipment and Intangibles	9.7	9.1	3.3	7 %	196 %

Segment Revenue

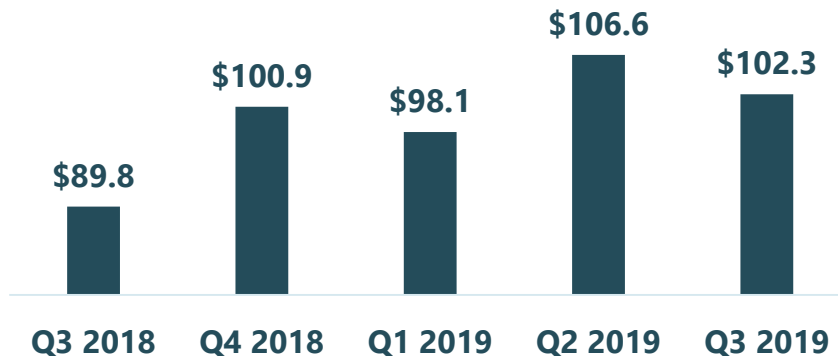


1) For reconciliation of all non U.S. GAAP numbers to U.S. GAAP numbers see tables in the appendix of this presentation

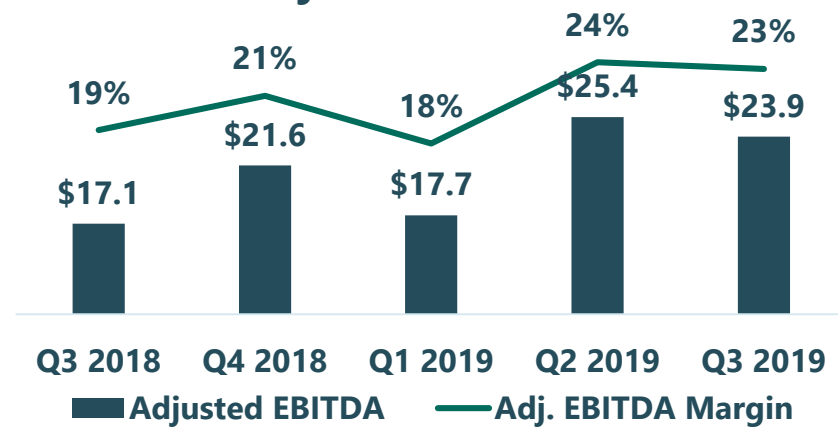
Tubular Running Services

Q3 2019 Highlights

Revenue



Adjusted EBITDA



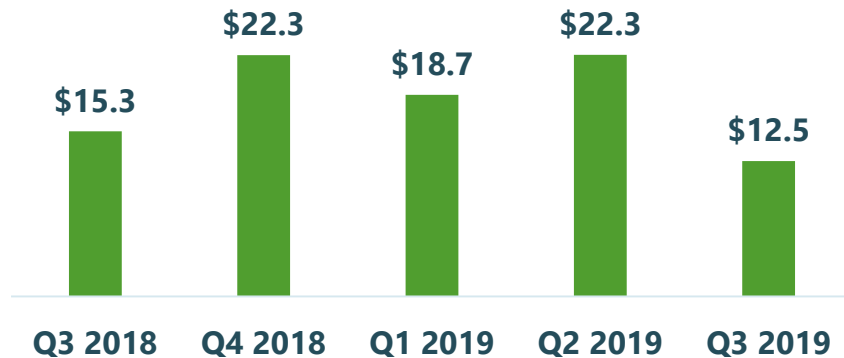
Highlights

- 14% Y/Y top-line revenue growth.
- Growth in Europe and Middle East partially offsetting challenging market dynamics in North America in the third quarter.
- Awarded the 2019 World Oil Award in recognition of our Jet String Elevator and named a finalist for our Rack Back Console technologies.
- Increasing international tender activity expected to drive further growth in Africa and Asia Pacific in 2020.

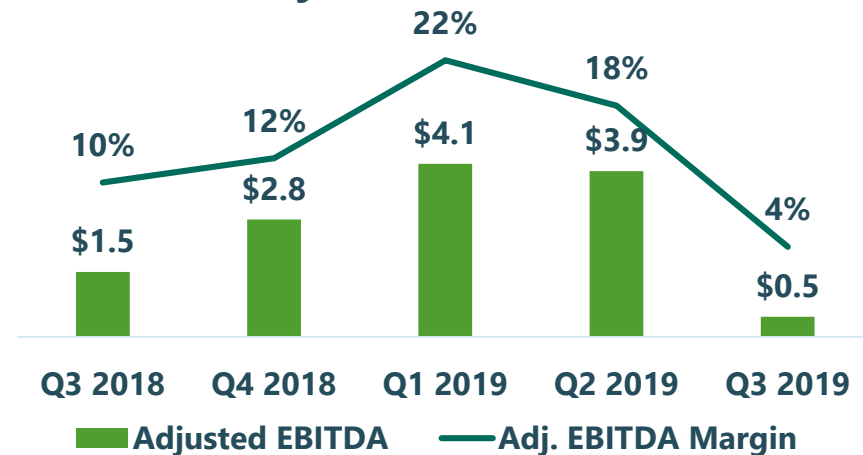
Tubulars

Q3 2019 Highlights

Revenue



Adjusted EBITDA



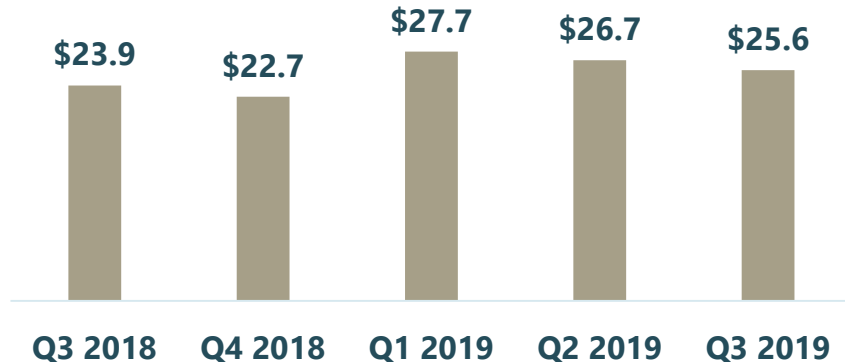
Highlights

- The VersaFlo™ completed its 100th job during the quarter with long-term deployments now being contracted.
- Tubular sales business is highly contingent on timing of customer deliveries and drilling schedules. Numerous orders delayed in the second half of 2019.
- Reputation for quality and reliability driving 2020 opportunities in new markets such as Mexico, the Caribbean and South America.

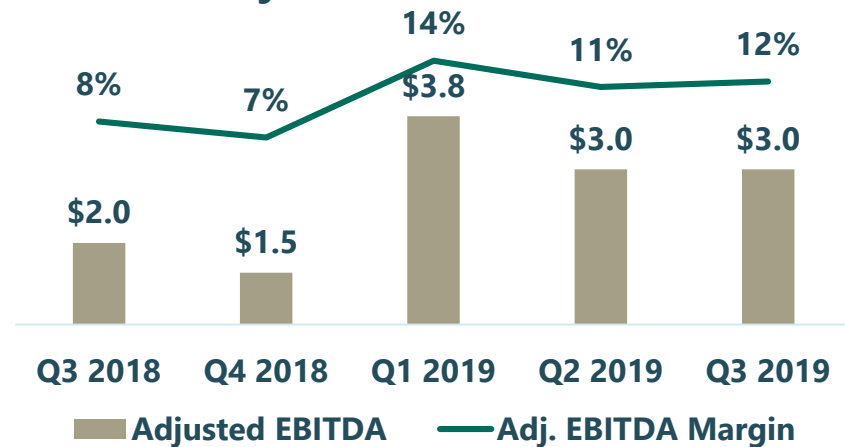
Cementing Equipment

Q3 2019 Highlights

Revenue



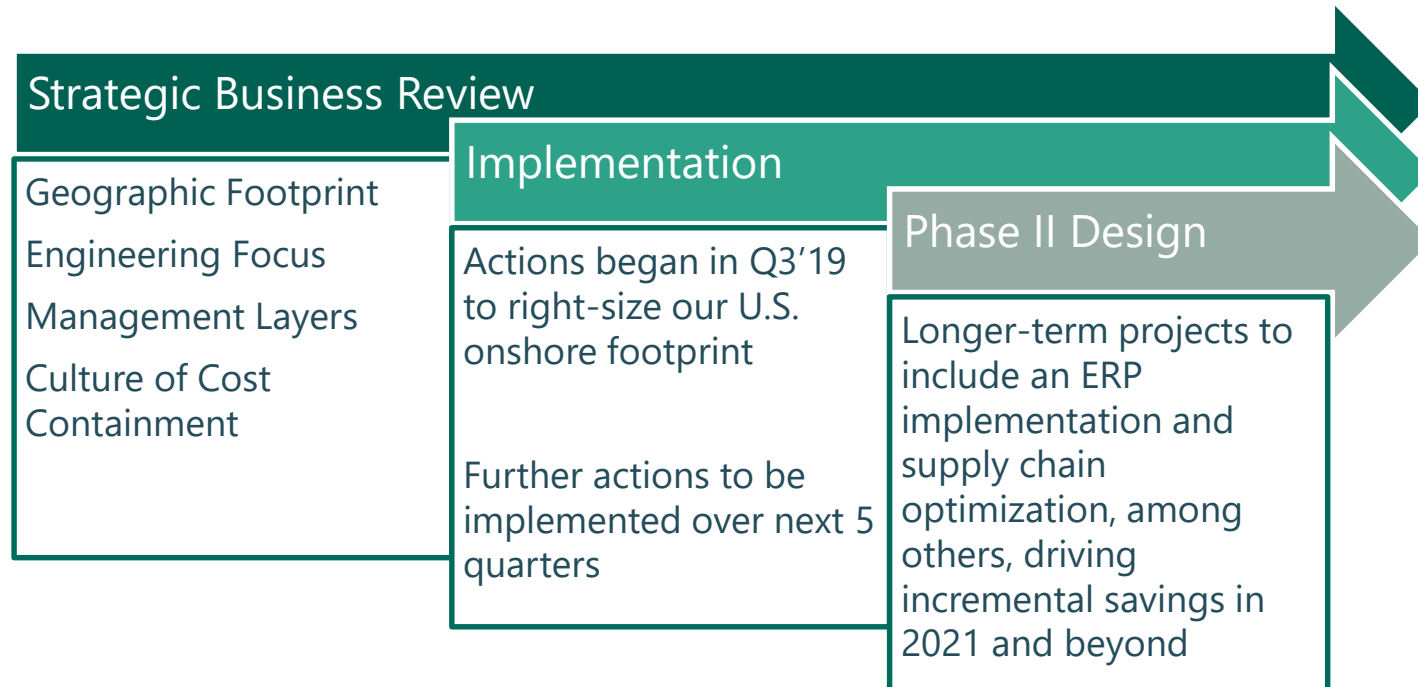
Adjusted EBITDA



Highlights

- 7% Y/Y top-line revenue growth.
- Continued international traction, with sales into 12 different countries in the quarter.
- Completed 400th job globally with SkyHook™ cement line make-up device and debuted at SPE offshore for the North Sea market.
- Maintained over 60% market share on floating rigs in the U.S. Gulf of Mexico throughout the third quarter.

Profitability Improvement Project



The objective of these transformational changes is to maintain the global reach of Frank's International and our unparalleled service to our customers while presenting a more streamlined, efficient organization to improve the return to our shareholders.

Anticipate cost reductions implemented of approximately \$30 million by the end of Q4 2020. Longer-term initiatives to drive total project cost reductions of approximately \$45 million.

Q4 Outlook



Quarterly revenue sequentially flat



Adj. EBITDA improvement sequentially



Strong focus on profitability improvement project implementation

2020 Outlook



Full year top-line revenue growth across all segments



Adjusted EBITDA in excess of \$100M



Growth across all segments driven by international performance

Frank's International N.V. is a global oil services company that provides a broad and comprehensive range of highly engineered tubular running services, tubular fabrication, and specialty well construction and well intervention solutions with a focus on complex and technically demanding wells.



**\$522M full year
2018 revenue**



3,100 employees



**\$33M full year
2018 adjusted
EBITDA ⁽²⁾**



50 countries



**\$1.2B market ⁽¹⁾
capitalization**



**Recipient of
multiple awards
for technology and
engineering**

(1) Market capitalization as of August 1, 2019

(2) For reconciliation of all non U.S. GAAP numbers to U.S. GAAP numbers see tables in the appendix of this presentation

Appendix

	Three Months Ended		Twelve Months Ended	
(\$ in thousands)	Sep. 30, 2019	Jun. 30, 2019	Sep. 30, 2018	Dec. 31, 2018
Net loss	(23,789)	(15,160)	(6,999)	(90,733)
Interest income, net	(563)	(426)	(866)	(4,243)
Depreciation and amortization	21,482	23,913	26,998	111,292
Income tax expense (benefit)	7,297	3,300	(7,461)	(2,950)
(Gain) loss on disposal of assets	603	154	(2,242)	(1,309)
Foreign currency loss	3,872	661	879	5,675
TRA related adjustments	-	(220)	1,170	1,359
Charges and credits*	7,119	4,941	137	14,141
Adjusted EBITDA	16,021	17,163	11,616	33,232
Adjusted EBITDA margin	11.4 %	11.0 %	9.0 %	6.4 %

* Comprised of Equity-based compensation, mergers & acquisition expense, Severance and other charges/credits, net, unrealized and realized gains/losses and investigation related matters. Please see the supplemental financials in our earnings press release.

Reconciliation of Net Loss to Adjusted EBITDA



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