

**Frank's International Q4 & Full Year 2016  
Conference Call  
February 23, 2017**

**FRANK'S**  
INTERNATIONAL

## Q4 and Full Year 2016 Earnings Conference Call

**Introduction – Blake Holcomb, Director of Investor Relations**

**Operations Overview – Douglas Stephens, President and CEO**

**Financial Performance – Kyle McClure, SVP of Finance,  
Treasurer and Interim CFO**

**Q & A**

# Corporate Information

## Douglas Stephens

President and Chief Executive Officer

## Jeff Bird

Executive Vice President, Chief Financial Officer

## Blake Holcomb

Director, Investor Relations

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# **Douglas Stephens – President and CEO**

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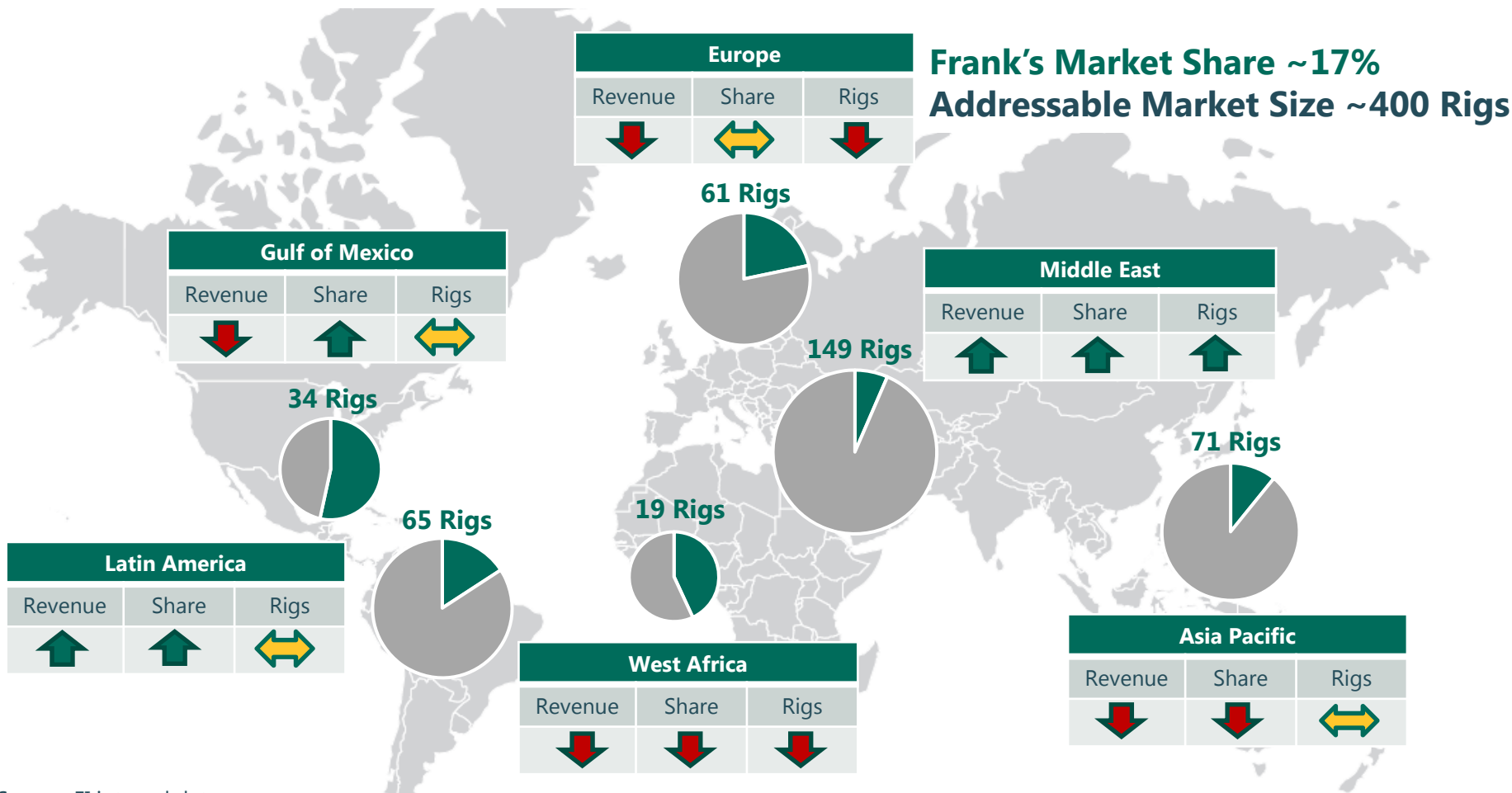
## Q4 2016 Summary

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- Core Frank's (Ex. Blackhawk) Adjusted EBITDA up \$5 million sequentially despite 7 percent decline in revenue
- 
- U.S. Onshore business up 13% sequentially and profitable for first time since Q1 2015
- 
- Executed on cost action goals - SG&A down 10% in Q4 2016
- 
- Deepwater offshore negatives still outweighing positives (Middle East/Latin America/Canada)
-

**Kyle McClure – Senior Vice President of  
Finance, Treasurer and Interim CFO**

# FI Offshore Global Market Share Q3 2016 to Q4 2016



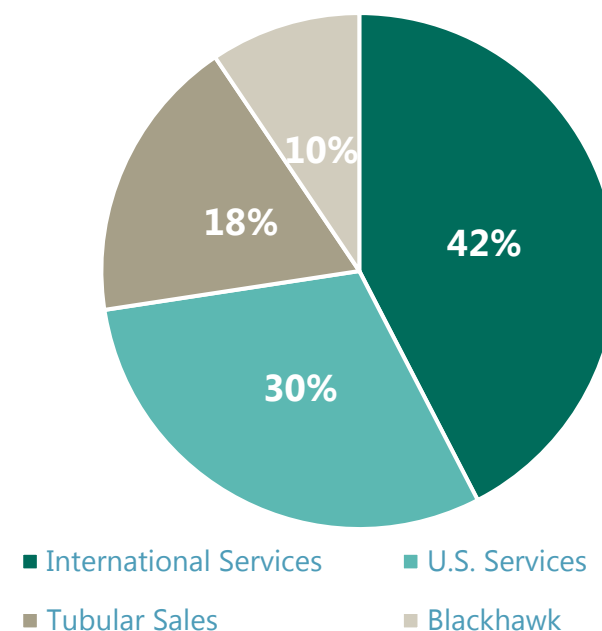
Source: FI internal data  
Average quarterly share and rig count, excludes platforms  
Chart size approximate of market size

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## Q4 2016 Financial Summary

	Q4 Results	Q/Q Δ
International Services	\$45.8 MM	(10%)
U.S. Services	\$32.8 MM	(4%)
Tubular Sales	\$19.4 MM	(3%)
Blackhawk <sup>(1)</sup>	\$10.0 MM	N/A
<b>Total Company Revenue</b>	<b>\$108.0 MM</b>	<b>3%</b>
<b>Adj. EBITDA<sup>(2)</sup></b>	<b>\$5 MM</b>	<b>+\$6 MM</b>
<b>Adj. EBITDA margin</b>	<b>4.6%</b>	<b>+580 bps</b>
<b>Adj. EPS<sup>(3)</sup></b>	<b>(\$0.18)</b>	<b>(29%)</b>
Operating Cash Flow	(\$40.8) MM	(36%)
Cash & Equivalents	\$319.5 MM	(40%)
Quarterly Dividend	\$0.075	-

### Q4 2016 Revenue Breakdown



**Blackhawk revenues offset core Frank's business declines and Adjusted EBITDA higher as a result of one-time items and cost actions taken during the quarter**

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(1) Blackhawk Specialty Tools revenue for November and December 2016

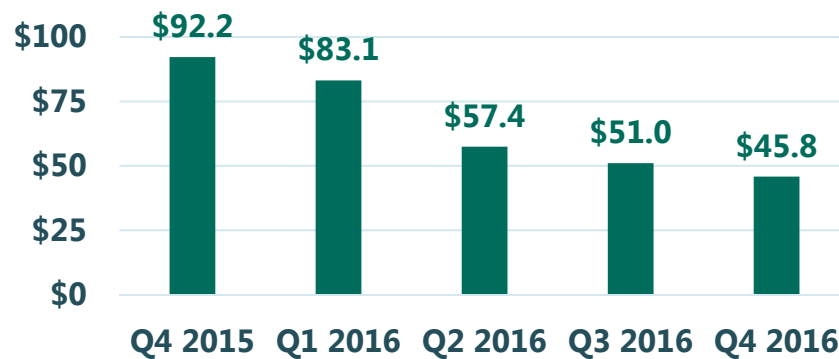
(2) Adjusted EBITDA is a non-GAAP financial measure. See reconciliation of income (loss) from continuing operations to adjusted EBITDA

(3) Adjusted EPS is a non-GAAP financial measure. See reconciliation of net income (loss) to adjusted EPS

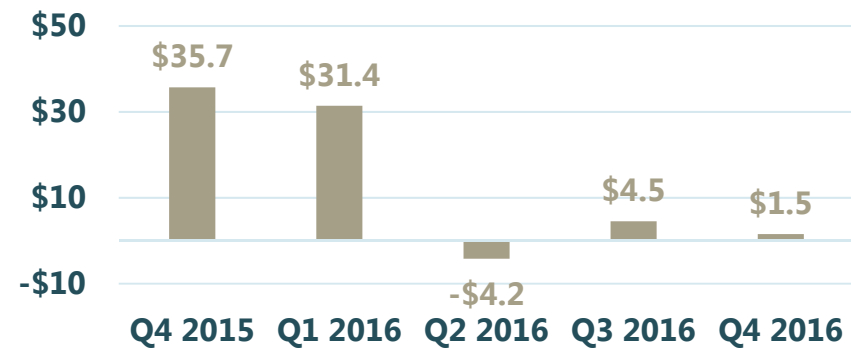


## International Services – Q4 2016 Highlights

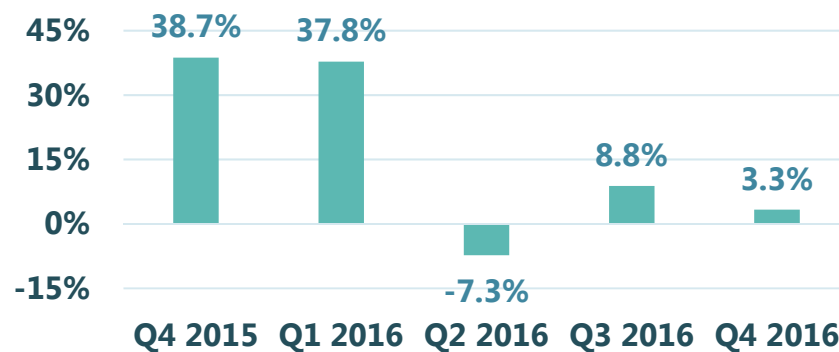
### Revenue (\$M)



### Adj. EBITDA (\$M)



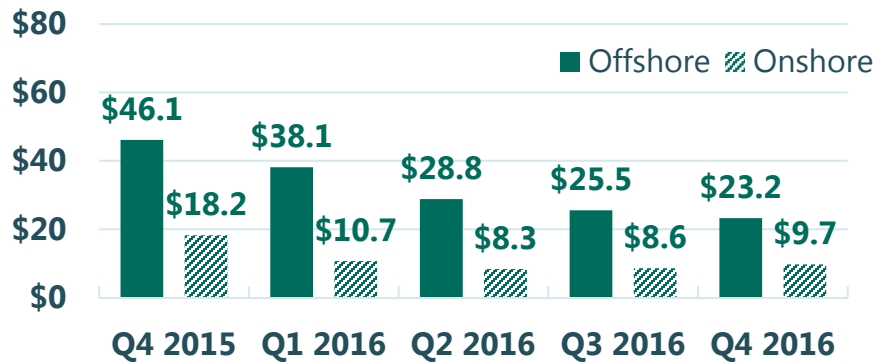
### Adj. EBITDA Margin (%)



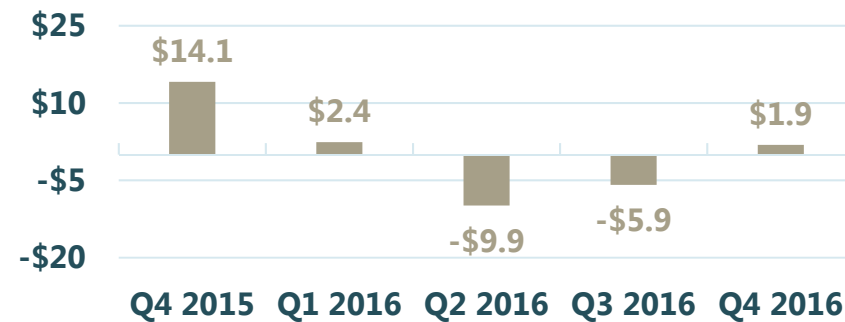
- **Tailwinds: Middle East, Canada and Latin America revenue up 18% sequentially**
- **Headwinds: Europe and West Africa revenue down 30% sequentially**
- **Adjusted EBITDA lower on bad debt and payroll tax related to West Africa**

## U.S. Services – Q4 2016 Highlights

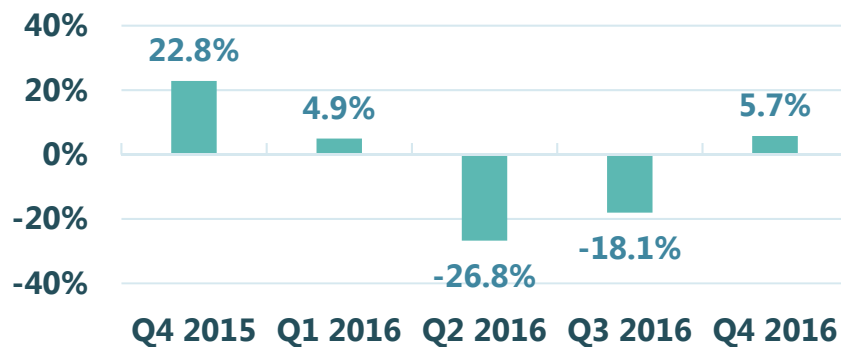
### Revenue (\$M)



### Adj. EBITDA (\$M)



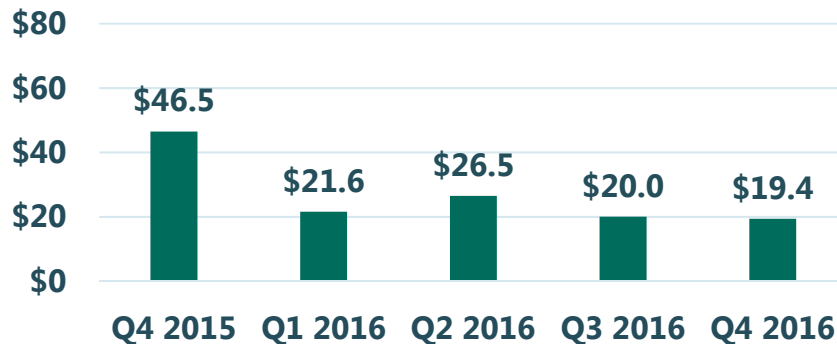
### Adj. EBITDA Margin (%)



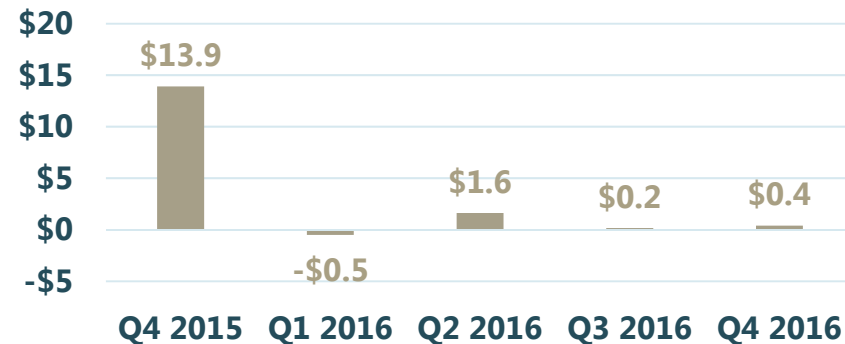
- **Offshore Gulf of Mexico continues to see lower activity and increased competitive environment**
- **U.S. Onshore revenue up 13% on increased activity and 20% higher pricing on average**
- **Q4 cost actions and tax and other adjustments driving improved Adjusted EBITDA performance**

## Tubular Sales – Q4 2016 Highlights

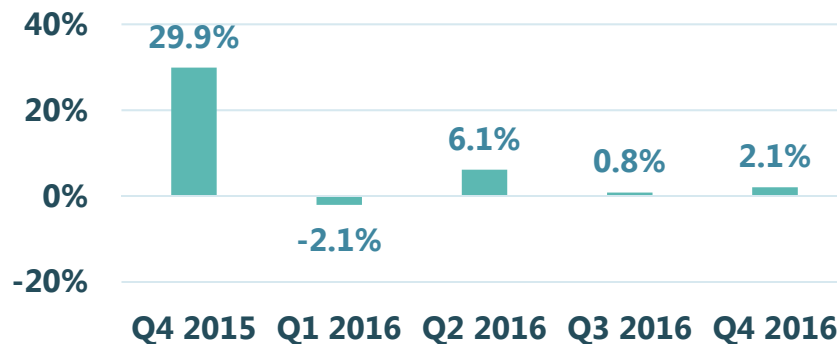
### Revenue (\$M)



### Adj. EBITDA (\$M)



### Adj. EBITDA Margin (%)



- **Weakness remains in core Gulf of Mexico business and in-line with activity declines and delays**
- **International seeing high quoting activity but increasingly competitive**
- **Current backlog one-third of year end 2015 levels**

## 2017 Objectives

- **Commercialize top 10 new well construction technologies that improve safety, well integrity and efficiency**
- **Accelerate Blackhawk revenue synergies**
  - **Grow Blackhawk revenues 15-20% year-over-year**
  - **Double U.S. onshore revenues year-over-year**
  - **Commercialize top 4 new well construction technologies**
- **Generate positive free cash flow (ex. dividend) by 2H 2017**

**Questions?**