

## Hornbeck Offshore Services, Inc. and Subsidiaries

### Unaudited Consolidated Statements of Operations

(in thousands, except Other Operating Data)

Statement of Operations (unaudited):	Three Months Ending June 30,		Six Months Ending June 30,	
	2003	2002	2003	2002
	Revenue.....	\$ 26,010	\$ 21,315	\$ 53,357
Operating expenses.....	10,575	8,064	21,049	16,096
Depreciation and amortization.....	3,996	2,811	7,617	5,352
General and administrative expenses.....	2,819	2,205	5,713	5,053
Total operating expenses.....	17,390	13,080	34,379	26,501
Operating income.....	8,620	8,235	18,978	17,557
Interest expense.....	4,357	3,855	8,574	7,796
Interest income.....	(43)	(202)	(115)	(448)
Other income, net <sup>2</sup> .....	-	-	(707)	-
Income before income taxes.....	4,306	4,582	11,226	10,209
Income tax expense.....	(1,633)	(1,741)	(4,263)	(3,879)
Net income.....	\$ 2,673	\$ 2,841	\$ 6,963	\$ 6,330

#### Other Financial Data (unaudited):

##### EBITDA <sup>1</sup>

Net income.....	\$ 2,673	\$ 2,841	\$ 6,963	\$ 6,330
Plus (minus):				
Interest expense.....	4,357	3,855	8,574	7,796
Income tax expense.....	1,633	1,741	4,263	3,879
Depreciation and amortization.....	3,996	2,811	7,617	5,352
Other income, net <sup>2</sup> .....	-	-	(707)	-
<b>EBITDA</b>	<b>\$ 12,659</b>	<b>\$ 11,248</b>	<b>\$ 26,710</b>	<b>\$ 23,357</b>

Balance Sheet Data (unaudited):	As of June 30, 2003	As of December 31, 2002
	Cash and cash equivalents.....	\$ 14,747
Working capital.....	27,212	22,265
Property, plant and equipment, net.....	297,965	226,232
Total assets.....	356,092	278,290
Total debt.....	212,542	172,350
Stockholders' equity.....	106,357	71,875

<sup>1</sup> Earnings before interest expense, provision for income taxes, depreciation and amortization ("EBITDA") is an important financial performance measure that is used by ratings agencies, lenders and most of the Company's investors, particularly those who invest in the Senior Notes, as well as investment banks that issue high yield debt research on the Company. In addition, EBITDA is used in the financial ratios and covenants included in the credit agreement governing the revolving line of credit and the indenture governing the Senior Notes. This table reflects the calculation of EBITDA. EBITDA is presented as it is commonly used by certain investors to analyze and compare operating performance and to determine a company's ability to service or incur debt. EBITDA should not be considered in isolation or as a substitute for net income, cash flow or other income or cash flow data or as a measure of a company's profitability or liquidity and is not a measure calculated in accordance with accounting principles generally accepted in the United States. EBITDA is not necessarily comparable with similarly titled measures reported by other companies. In determining the Company's EBITDA, other income or (expense) is excluded, except for equity in income from investments.

<sup>2</sup> Represents other income and expenses, including gains or losses on disposition of assets, foreign currency exchange gains or losses and minority interests in income or loss from unconsolidated entities.

**Hornbeck Offshore Services, Inc. and Subsidiaries**  
**Unaudited Consolidated Statements of Operations**  
(in thousands, except Other Operating Data)

	Three Months Ending		Six Months Ending	
	June 30,		June 30,	
	2003	2002	2003	2002
<b>Other Operating Data (unaudited):</b>				
<b>Offshore Supply Vessels:</b>				
Average number.....	14.2	10.2	13.7	9.8
Average utilization rate <sup>1</sup> .....	92.3%	95.9%	91.0%	95.9%
Average dayrate <sup>2</sup> .....	\$ 12,062	\$ 11,597	\$ 12,220	\$ 11,795
<b>Tugs and Tank Barges:</b>				
Average number of tank barges.....	16.0	16.0	15.8	16.0
Average fleet capacity (barrels).....	1,156,330	1,130,727	1,133,797	1,130,727
Average barge size (barrels).....	72,271	70,670	71,893	70,670
Average utilization rate <sup>1</sup> .....	67.8%	73.9%	75.4%	80.4%
Average dayrate <sup>3</sup> .....	\$ 10,999	\$ 9,511	\$ 11,239	\$ 9,505

<sup>1</sup> Utilization rates are average rates based on a 365-day year. Vessels are considered utilized when they are generating revenues.

<sup>2</sup> Average dayrates represent average revenue per day, which includes charter hire and brokerage revenue, based on the number of days during the period that the offshore supply vessels generated revenue.

<sup>3</sup> Average dayrates represent average revenue per day, including time charters, brokerage revenue, revenues generated on a per-barrel-transported basis, demurrage, shipdocking and fuel surcharge revenue, based on the number of days during the period that the tank barges generated revenue. For purposes of brokerage arrangements, this calculation excludes that portion of revenue that is equal to the cost of in-chartering third party equipment paid by customers.