

## Non-GAAP Financial Measures

### (1) Reconciliation between net income and EBITDA

Earnings before interest, taxes depreciation and amortization (EBITDA) is a non-GAAP financial measurement. Management uses EBITDA because it believes that such a measurement is a widely accepted financial indicator used by investors and analysts to analyze and compare companies on the basis of operating performance and that this measurement may be used by some investors and others to make informed investment decisions. In addition, EBITDA is used in the financial ratios included in the Company's Credit Agreement and Senior Notes Indenture. You should not consider it in isolation from or as a substitute for net income or cash flow measures prepared in accordance with generally accepted accounting principles or as a measure of profitability or liquidity. EBITDA calculations by one company may not be comparable to EBITDA calculations made by another company. The following table provides a reconciliation between net income (a GAAP financial measure) and EBITDA (a non-GAAP financial measure) for the Company's segments and on a consolidated basis:

#### Reconciliation of Net Income (Loss) to EBITDA For the three months ending December 31, 2004 (in thousands)

	<u>Well Intervention</u>	<u>Rental tools</u>	<u>Marine</u>	<u>Other Oilfield Services</u>	<u>Oil and Gas</u>	<u>Oil and Gas Eliminations and Unallocated</u>	<u>Consolidated total</u>
Net income (loss)	\$12,980	\$9,452	\$3,461	(\$44)	(\$931)	(\$12,632)	\$12,286
Add:							
Interest expense						5,752	5,752
Interest income					(365)	(36)	(401)
Income taxes						6,916	6,916
Depreciation, depletion, amortization and accretion	3,357	9,132	1,952	960	3,490		18,891
EBITDA	<u>\$16,337</u>	<u>\$18,584</u>	<u>\$5,413</u>	<u>\$916</u>	<u>\$2,194</u>	<u>\$0</u>	<u>\$43,444</u>

#### Reconciliation of Net Income (Loss) to EBITDA For three months ending September 30, 2004 (in thousands)

	<u>Well Intervention</u>	<u>Rental tools</u>	<u>Marine</u>	<u>Other Oilfield Services</u>	<u>Oil and Gas</u>	<u>Oil and Gas Eliminations and Unallocated</u>	<u>Consolidated total</u>
Net income (loss)	\$10,160	\$8,730	\$2,114	(\$1,202)	\$3,877	(\$12,391)	\$11,288
Add:							
Interest expense						5,651	5,651
Interest income					(434)	(33)	(467)
Income taxes						6,773	6,773
Depreciation, depletion, amortization and accretion	3,468	8,158	1,856	1,035	3,278		17,795
EBITDA	<u>\$13,628</u>	<u>\$16,888</u>	<u>\$3,970</u>	<u>(\$167)</u>	<u>\$6,721</u>	<u>\$0</u>	<u>\$41,040</u>