



Newpark Resources Reports First Quarter Net Up 1380% on 74% Revenue Gain

Metairie, LA, April 30, 2001... Newpark Resources, Inc. (NYSE: NR) today announced earnings for the first quarter ended March 31, 2001 of \$7.0 million, equal to \$.10 per basic and diluted share, on revenues of \$99.4 million. This compares to net income of \$474,000, or \$.01 per share, on revenues of \$57.3 million in the first quarter of last year. Net income increased 1,380% on a 74% revenue gain.

Earnings before interest, taxes, depreciation and amortization totaled \$23.1 million, or 23% of revenue for the quarter, compared to \$11.5 million, or 20% of revenue, reported in the first quarter of 2000.

James D. Cole, Chairman and CEO, attributed the first quarter improvement to several factors, including: the sale during the period of 5,700 of the Company's new composite mats compared to total sales of 1,500 in all of last year; increased drilling activity along the U.S. onshore Gulf Coast which favorably impacted pricing and volume of the Company's rental mat systems; and the 72% increase in drilling fluid sales and the continuing improvement in operating margin in that segment of the Company's business.

Mat and Integrated Services

Revenues in this segment during the recent quarter amounted to \$34.3 million or 122% above the level of a year ago. Operating profit was \$9.0 million, up 268% year-over-year. As noted above, most of the momentum came from sales of the new composite mat systems and from both pricing and volume of rental of mat systems used to support drilling site construction in the land and coastal marshes of South Louisiana and Texas. Evidencing the gathering strength of this market, rental pricing for mats in the first quarter averaged \$1.39 per square foot on 4.9 million square feet of mats installed compared with \$.78 and 4.1 million in the year-ago quarter. Reflecting the trend toward deeper, more complex drilling which has begun in this area, rerental revenue, the extended rentals earned after

the initial installation period, rose 362% to \$3.7 million from the \$.8 million reported in the first quarter of 2000.

Drilling Fluids

Benefiting from the increase in rig activity as well as market share gains, Drilling Fluids operations produced revenues of \$50.4 million, a 72% improvement over the corresponding quarter of last year, while operating income rose 244% to \$6 million compared to \$1.8 million for the earlier period. With a high proportion of fixed costs, the increase in revenues has resulted in noteworthy gains in operating profit margins in this segment. Drilling Fluids' operating margin doubled from 6% in the first quarter of 2000, to 12% in the first quarter of 2001. Two key factors produced those gains. First, the number of rigs serviced by Newpark Drilling Fluids grew 46% from 134 in the first quarter of 2000 to 196 in the most recent quarter. Further, the number of offshore rigs we serviced in the Gulf of Mexico, the largest consumers of drilling fluids, averaged 14 in the recent quarter compared to only 3 rigs in the first quarter of 2000. A leading contributor to that success is our Deep Drill™ family of associated fluid products that are targeted at deeper, more difficult drilling operations. Because these products are environmentally friendly, the pending limitation of offshore discharges of cuttings drilled with synthetic fluids may have a further positive effect on the segment when implemented in a few months.

E&P Waste Disposal

Newpark received 1.1 million barrels of waste at an average price of \$11.70 per barrel during the quarter, bringing revenue in this segment to \$14.7 million. Total volume increased 14% from the 942,000 barrels received in the year-ago quarter. The increase in average revenue per barrel from \$11.54 in the corresponding period of last year resulted from changes in the mix of waste received. Operating profit contribution from Waste Disposal in the first quarter totaled \$4.2 million compared to \$3.7 million in the year-ago period.

Thus far in 2001, the level of barge mounted drilling rigs active in the inland waters market has averaged 21, versus an average of 17 during all of fiscal 2000 and 24 during the recent peak year of 1997. "Although results in our E&P waste disposal operations improved from last year's first quarter, volume in the current quarter was flat sequentially. We expect both volume and pricing to improve during the second half of the year as more drilling barges move into the inland

waters along the Gulf Coast where waste discharges are prohibited, and as new regulatory limitations on the discharge of synthetic fluids, widely used on offshore rigs, are implemented. Despite recent fluctuations in commodity pricing for oil and natural gas, the outlook for continued improvement in all three segments of our business remains quite favorable," Mr. Cole said.

Newpark Resources, Inc. provides integrated fluids management, environmental and oilfield services to the exploration and production industry.

THREE PAGES OF FINANCIAL DATA FOLLOW

For further information contact:

Company
Matthew W. Hardey
Vice President of Finance
Newpark Resources, Inc.
3850 N. Causeway, Suite 1770
Metairie, Louisiana 70002
(504) 838-8222

New York
Ron Hengen
R. F. Hengen, Inc.
253 Southgate Road
Murray Hill, New Jersey 07974
(908) 508-9000

The foregoing discussion contains 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Act of 1934, as amended. There are risks and uncertainties that could cause future events and results to differ materially from those anticipated by management in the forward-looking statements included in this press release. For further information regarding these and other factors, risks and uncertainties affecting Newpark, reference is made to the risk factors set forth in the Prospectus dated March 27, 2001, included in Newpark's Registration Statement on Form S-3 (File No. 333-53824), and to the section entitled "Forward Looking Statements" on page 17 of that Prospectus. In particular, as described on page 9 of that Prospectus, any material decline in the level of oil and gas exploration and production activity could result in fewer opportunities being available for the service industry in general and Newpark in particular, and may adversely affect the demand for our services. In addition, as described on page 13 of that Prospectus, and rescission or relaxation of governmental regulations, including any delays in implementing the new discharge regulations, could reduce the demand for Newpark's services and reduce Newpark's revenues and income. You are strongly urged to review these sections for a more detailed discussion of these risks and uncertainties. Newpark's SEC filings can be obtained at no charge at www.sec.gov, as well as through our Website, www.newpark.com.