

HI-CRUSH INC.

(Historical data has been recast to include the results of Hi-Crush Proppants LLC, Hi-Crush GP LLC, Hi-Crush Blair LLC, Hi-Crush Whitehall LLC and Other Assets for all periods leading up to their contribution into the Company)

(in thousands, except tons, per ton and per share amounts)

	2015	2016	2017				2018					2019			
	FY	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	FY
Statement of Operations Data:															
Revenues	\$ 339,640	\$ 204,430	\$ 83,364	\$ 135,220	\$ 167,583	\$ 216,456	\$ 602,623	\$ 218,113	\$ 248,520	\$ 213,972	\$ 162,235	\$ 842,840	\$ 159,910	\$ 178,001	\$ 337,911
Cost of goods sold (excluding depreciation, depletion and amortization)	239,625	188,308	72,083	99,882	119,955	146,428	438,348	141,983	154,531	147,583	133,877	577,974	130,522	141,272	271,794
Depreciation, depletion and amortization	16,613	17,032	4,828	7,596	8,805	8,220	29,449	7,799	10,482	10,241	9,762	38,284	11,272	14,062	25,334
Gross profit (loss)	83,402	(910)	6,453	27,742	38,823	61,808	134,826	68,331	83,507	56,148	18,596	226,582	18,116	22,667	40,783
Operating costs and expenses:															
General and administrative expenses	28,624	34,900	11,606	8,986	9,412	11,467	41,471	10,943	12,943	14,164	16,982	55,032	12,613	15,210	27,823
Depreciation and amortization	2,478	2,266	528	529	491	556	2,104	525	536	1,347	1,457	3,865	1,676	1,697	3,373
Accretion of asset retirement obligations	394	430	114	114	115	115	458	126	123	124	125	498	129	130	259
Change in estimated fair value of contingent consideration	-	-	-	-	-	-	-	-	-	-	-	-	-	(672)	(672)
Other operating (income) expenses, net	14,049	33,666	-	135	(3,254)	522	(2,597)	999	371	754	1,072	3,196	431	469	900
Income (loss) from operations	37,857	(72,172)	(5,795)	17,978	32,059	49,148	93,390	55,738	69,534	39,759	(1,040)	163,991	3,267	5,833	9,100
Other income (expense):															
Earnings (loss) from equity method investments	-	-	(566)	296	128	217	75	1,166	1,144	1,624	1,250	5,184	1,116	1,284	2,400
Gain on remeasurement of equity method investment	-	-	-	-	-	-	-	-	-	-	-	-	-	3,612	3,612
Interest expense	(16,103)	(20,853)	(4,601)	(2,450)	(2,815)	(3,105)	(12,971)	(3,473)	(3,722)	(8,012)	(10,140)	(25,347)	(10,590)	(11,806)	(22,396)
Loss on extinguishment of debt	-	-	-	-	-	(4,332)	(4,332)	-	-	(6,233)	-	(6,233)	-	-	-
Income (loss) before income tax	21,754	(93,025)	(10,962)	15,824	29,372	41,928	76,162	53,431	66,956	27,138	(9,930)	137,595	(6,207)	(1,077)	(7,284)
Income tax expense (benefit):															
Current tax	-	-	-	-	-	-	-	-	-	-	-	-	-	259	259
Deferred tax	-	-	-	-	-	-	-	-	-	-	-	-	-	660	660
Deferred tax resulting from conversion to a corporation	-	-	-	-	-	-	-	-	-	-	-	-	-	115,488	115,488
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	-	116,407	116,407
Net income (loss)	\$ 21,754	\$ (93,025)	\$ (10,962)	\$ 15,824	\$ 29,372	\$ 41,928	\$ 76,162	\$ 53,431	\$ 66,956	\$ 27,138	\$ (9,930)	\$ 137,595	\$ (6,207)	\$ (117,484)	\$ (123,691)
Earnings (loss) per common share (a)															
Basic (a)	\$ 0.73	\$ (1.64)	\$ (0.07)	\$ 0.18	\$ 0.33	\$ 0.48	\$ 0.97	\$ 0.60	\$ 0.68	\$ 0.30	\$ (0.08)	\$ 1.46	\$ (0.06)	\$ (1.16)	\$ (1.22)
Diluted (a)	\$ 0.73	\$ (1.64)	\$ (0.07)	\$ 0.18	\$ 0.32	\$ 0.47	\$ 0.96	\$ 0.59	\$ 0.67	\$ 0.29	\$ (0.08)	\$ 1.42	\$ (0.06)	\$ (1.16)	\$ (1.22)
Reconciliation of EBITDA and Adjusted EBITDA:															
Net income (loss)	\$ 21,754	\$ (93,025)	\$ (10,962)	\$ 15,824	\$ 29,372	\$ 41,928	\$ 76,162	\$ 53,431	\$ 66,956	\$ 27,138	\$ (9,930)	\$ 137,595	\$ (6,207)	\$ (117,484)	\$ (123,691)
Depreciation and depletion expense	16,471	17,616	4,936	7,704	8,875	8,357	29,872	7,903	10,598	10,373	9,901	38,775	11,500	14,237	25,737
Amortization expense	2,620	1,682	420	421	421	419	1,681	421	420	1,215	1,318	3,374	1,448	1,522	2,970
Interest expense	16,103	20,853	4,601	2,450	2,815	3,105	12,971	3,473	3,722	8,012	12,971	25,347	10,590	11,806	22,396
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	-	116,407	116,407
EBITDA	56,948	(52,874)	(1,005)	26,399	41,483	53,809	120,686	65,228	81,696	46,738	11,429	205,091	17,331	26,488	43,819
Non-cash impairments of goodwill and long-lived assets	24,792	33,745	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in estimated fair value of contingent consideration	-	-	-	-	-	-	-	-	-	-	-	-	-	(672)	(672)
(Earnings) loss from equity method investments	-	-	566	(296)	(128)	(217)	(75)	(1,166)	(1,144)	(1,624)	(1,250)	(5,184)	(1,116)	(1,284)	(2,400)
Gain on remeasurement of equity method investment	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,612)	(3,612)
Loss on extinguishment of debt	-	-	-	-	-	4,332	4,332	-	-	6,233	-	6,233	-	-	-
Non-recurring business development costs and other items	-	1,257	841	102	-	-	943	-	1,084	701	4,710	6,495	1,009	3,135	4,144
Adjusted EBITDA	\$ 81,740	\$ (17,872)	\$ 402	\$ 26,205	\$ 41,355	\$ 57,924	\$ 125,886	\$ 64,062	\$ 81,636	\$ 52,048	\$ 14,889	\$ 212,635	\$ 17,224	\$ 24,055	\$ 41,279
Reconciliation of Free Cash Flow:															
Net cash provided by (used in) operating activities													\$ 17,582	\$ 8,975	
Less: Maintenance capital expenditures													(3,717)	(7,723)	
Less: Growth capital expenditures													(8,089)	(19,167)	
Free cash flow													\$ 5,776	\$ (17,915)	

(a) Amounts of incremental income or losses recast to periods prior to the Sponsor Contribution, Blair Contribution and Whitehall Contribution were excluded from the calculation of earnings per share.

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(in thousands, except tons, per ton and per share amounts)

	2015		2016		2017				2018				2019			
	FY	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	3Q	4Q	FY	1Q	2Q	FY	
Liquidity (at period end):																
Cash	\$ 19,760	\$ 4,843	\$ 71,251	\$ 35,675	\$ 27,896	\$ 7,724	\$ 7,724	\$ 14,345	\$ 28,490	\$ 181,005	\$ 114,256	\$ 114,256	\$ 60,404	\$ 52,853	\$ 52,853	
Debt																
Senior Notes due 2026 (b)										\$ 440,622	\$ 440,625	\$ 440,625	\$ 440,935	\$ 441,244	\$ 441,244	
ABL Credit Facility										-	-	-	-	-	-	
Revolving Credit Agreement (a)	\$ 52,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	-	-	-	-	-	
Term Loan Credit Facility (a)(b)	190,617	189,715	189,490	189,265	189,039	194,365	194,365	194,045	193,741	-	-	-	-	-	-	
Hi-Crush Proppants, LLC Debt	118,751	61,221	207	83	1,405	1,183	1,183	326	-	2,522	-	-	-	-	-	
Other notes payable	6,924	6,705	5,743	5,223	4,191	3,054	3,054	2,097	1,129	4,142	4,852	4,852	3,113	1,997	1,997	
Total debt	\$ 368,792	\$ 257,641	\$ 195,440	\$ 194,571	\$ 194,635	\$ 198,602	\$ 198,602	\$ 196,468	\$ 194,870	\$ 447,286	\$ 445,477	\$ 445,477	\$ 444,048	\$ 443,241	\$ 443,241	
Hi-Crush Credit Agreements																
Capacity	\$ 100,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	
Availability	\$ 39,847	\$ 66,368	\$ 59,681	\$ 58,231	\$ 58,234	\$ 104,334	\$ 104,334	\$ 103,847	\$ 103,580	\$ 97,731	\$ 58,177	\$ 58,177	\$ 55,164	\$ 59,182	\$ 59,182	
Supplemental Information (at period end):																
Common shares outstanding	36,959,970	63,668,244	91,017,937	91,030,490	91,030,707	89,009,188	89,009,188	88,392,179	88,392,179	89,866,063	100,874,988	100,874,988	101,105,766	100,633,257	100,633,257	
Capital expenditures for property, plant and equipment	\$ 130,865	\$ 45,714	\$ 20,565	\$ 68,114	\$ 108,309	\$ 122,246	\$ 122,246	\$ 12,258	\$ 37,980	\$ 69,310	\$ 141,546	\$ 141,546	\$ 40,289	\$ 57,935	\$ 57,935	
Operating Data:																
Total sand sold (in tons)	5,003,702	4,253,746	1,384,887	2,112,516	2,456,195	2,985,115	8,938,713	2,617,627	3,037,504	2,775,360	1,976,805	10,407,296	2,411,262	2,662,086	5,073,348	
Sand produced and delivered (in tons)	5,008,960	4,207,044	1,366,812	2,181,276	2,517,752	3,001,744	9,067,584	2,527,037	3,006,091	2,655,831	2,009,855	10,198,814	2,316,225	2,676,649	4,992,874	
Average price per ton sold	\$ 62	\$ 48	\$ 60	\$ 64	\$ 68	\$ 71	\$ 67	\$ 73	\$ 70	\$ 64	\$ 58	\$ 67	\$ 48	\$ 47	\$ 48	
Contribution margin	\$ 100,015	\$ 16,122	\$ 11,281	\$ 35,338	\$ 47,628	\$ 70,028	\$ 164,275	\$ 76,130	\$ 93,989	\$ 66,389	\$ 28,358	\$ 264,866	\$ 29,388	\$ 36,729	\$ 66,117	
Contribution margin per ton sold	\$ 19.99	\$ 3.79	\$ 8.15	\$ 16.73	\$ 19.39	\$ 23.46	\$ 18.38	\$ 29.08	\$ 30.94	\$ 23.92	\$ 14.35	\$ 25.45	\$ 12.19	\$ 13.80	\$ 13.03	
% of railcars shipped via unit trains	39 %	45 %	68 %	65 %	68 %	68 %	63 %	64 %	73 %	75 %	33 %	61 %	43 %	52 %	48 %	
Railcar lease expense	\$ 22,200	\$ 28,900	\$ 6,900	\$ 6,900	\$ 6,800	\$ 6,800	\$ 27,400	\$ 6,900	\$ 7,500	\$ 8,700	\$ 8,300	\$ 31,400	\$ 8,500	\$ 7,900	\$ 16,400	
Operating Assets (at period end):																
Production capacity (tons per year) (c)(d)	7,570,000	10,430,000	10,430,000	10,430,000	13,430,000	13,430,000	13,430,000	13,430,000	13,430,000	13,430,000	16,430,000	16,430,000	17,280,000	17,280,000	17,280,000	
Production facilities	3	4	4	4	5	5	5	5	5	5	6	6	6	6	6	
Terminals owned or operated	14	11	11	11	11	12	12	12	12	12	12	12	12	11	11	
Railcar fleet																
Leased or Owned	3,947	4,200	4,180	4,173	4,172	4,253	4,253	4,238	4,884	4,985	4,986	4,986	4,963	4,947	4,947	
Customer or System	2,104	1,358	944	1,866	2,228	2,404	2,404	2,422	2,418	2,729	2,169	2,169	1,495	990	990	
Total	6,051	5,558	5,124	6,039	6,400	6,657	6,657	6,660	7,302	7,714	7,155	7,155	6,458	5,937	5,937	

(a) In August 2018, the Company terminated its Revolving Credit Agreement and Term Loan Credit Facility.

(b) Senior Notes and Term Loan Credit Facility are presented net of unamortized original issue discount and unamortized debt issuance costs.

(c) The Augusta facility, with an annual processing capacity of approximately 2,860,000, was idled in October 2015 and resumed production in September 2016. In January 2019 the Augusta facility was idled.

(d) The Whitehall facility, with an annual processing capacity of approximately 2,860,000, was idled in the second quarter of 2016 and resumed production in March 2017. In September 2018 the dry plant was idled and resumed operations in January 2019.