

NABORS INDUSTRIES LTD. AND SUBSIDIARIES

SEGMENT REPORTING
2016, 2017, 2018 and 2019

(In thousands, except per share amounts and rig activity)

The following table sets forth certain information with respect to our reportable segments and rig activity:

Reportable Segments:	2016	2017					2018					2019				
	Full Year	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	4Q	Full Year	1Q	2Q	3Q	4Q	Full Year
Operating revenues:																
U.S. Drilling	\$ 554,072	\$ 161,934	\$ 187,344	\$ 222,747	\$ 233,198	\$ 805,223	\$ 241,002	\$ 264,395	\$ 273,996	\$ 303,834	\$ 1,083,227	\$ 320,209	\$ 323,402	\$ 307,808	\$ 289,517	\$ 1,240,936
Canada Drilling	51,472	27,808	17,121	18,073	19,927	82,929	31,887	17,442	26,645	29,026	105,000	25,315	11,389	12,191	19,379	68,274
International Drilling	1,508,890	338,223	380,338	374,106	381,393	1,474,060	368,845	377,986	377,125	345,082	1,469,038	337,256	326,905	328,278	331,703	1,324,142
Drilling Solutions	63,759	27,365	31,829	37,506	44,001	140,701	62,648	59,859	60,923	66,812	250,242	65,422	64,583	62,286	60,499	252,790
Rig Technologies	151,951	44,076	61,185	50,032	79,249	234,542	64,669	81,321	63,641	61,357	270,988	71,753	72,751	63,106	52,616	260,226
Other reconciling items	(102,305)	(36,856)	(46,462)	(40,361)	(49,491)	(173,170)	(34,857)	(39,083)	(22,905)	(24,031)	(120,876)	(20,315)	(27,624)	(15,593)	(39,453)	(102,985)
Total operating revenues	2,227,839	562,550	631,355	662,103	708,277	2,564,285	734,194	761,920	779,425	782,080	3,057,619	799,640	771,406	758,076	714,261	3,043,383
Adjusted EBITDA:																
U.S. Drilling	\$ 190,657	\$ 26,629	\$ 37,791	\$ 43,256	\$ 53,618	\$ 161,294	\$ 73,067	\$ 86,923	\$ 99,353	\$ 113,945	\$ 373,288	\$ 125,005	\$ 124,924	\$ 120,936	\$ 113,128	\$ 483,993
Canada Drilling	5,325	6,335	4,177	2,570	4,253	17,335	9,299	4,963	7,294	9,450	31,006	7,446	1,069	1,466	5,302	15,283
International Drilling	576,049	108,656	134,784	136,839	128,902	509,181	123,990	122,631	116,797	94,030	457,448	85,844	86,767	95,214	96,155	363,980
Drilling Solutions	2,095	2,946	7,623	9,761	12,596	32,926	14,728	14,765	16,145	23,025	68,663	21,046	22,461	23,471	24,776	91,754
Rig Technologies	(17,429)	(5,053)	(2,151)	(7,938)	(4,292)	(19,434)	(8,684)	446	137	(1,274)	(9,375)	(2,296)	3,160	2,173	(1,569)	1,468
Other reconciling items	(134,377)	(39,773)	(43,428)	(41,618)	(32,520)	(157,339)	(43,986)	(42,045)	(38,766)	(37,557)	(162,354)	(40,049)	(39,974)	(36,226)	(35,267)	(151,516)
Total adjusted EBITDA	\$ 622,320	\$ 99,740	\$ 138,796	\$ 142,870	\$ 162,557	\$ 543,963	\$ 168,414	\$ 187,683	\$ 200,960	\$ 201,619	\$ 758,676	\$ 196,996	\$ 198,407	\$ 207,034	\$ 202,525	\$ 804,962
Adjusted operating income (loss):																
U.S. Drilling	\$ (197,710)	\$ (63,182)	\$ (56,079)	\$ (53,536)	\$ (41,080)	\$ (213,877)	\$ (19,746)	\$ (13,107)	\$ 2,578	\$ 8,977	\$ (21,298)	\$ 24,683	\$ 20,392	\$ 12,427	\$ 6,811	\$ 64,313
Canada Drilling	(36,818)	(4,011)	(5,014)	(7,494)	(5,743)	(22,262)	(592)	(4,608)	(1,895)	929	(6,166)	(59)	(5,537)	(5,701)	(3,186)	(14,483)
International Drilling	164,677	11,974	36,174	32,316	27,964	108,428	24,536	24,486	25,680	(481)	74,221	(5,637)	(6,884)	2,466	1,152	(8,903)
Drilling Solutions	(16,503)	(978)	3,772	5,864	8,080	16,738	8,721	7,546	9,506	11,853	37,626	12,855	13,793	16,145	16,672	59,465
Rig Technologies	(31,981)	(8,131)	(5,040)	(10,535)	(7,258)	(30,964)	(12,976)	(3,433)	(4,141)	(5,212)	(25,762)	(5,148)	496	(641)	(5,954)	(11,247)
Other reconciling items	(130,976)	(39,604)	(43,107)	(40,820)	(33,512)	(157,043)	(44,977)	(41,463)	(39,285)	(41,090)	(166,815)	(40,089)	(42,172)	(39,219)	(38,794)	(160,274)
Total adjusted operating income (loss)	\$ (249,311)	\$ (103,932)	\$ (69,294)	\$ (74,205)	\$ (51,549)	\$ (298,980)	\$ (45,034)	\$ (30,579)	\$ (7,557)	\$ (25,024)	\$ (108,194)	\$ (13,395)	\$ (19,912)	\$ (14,523)	\$ (23,299)	\$ (71,129)
Reconciliation of non-GAAP measures to GAAP:																
Adjusted EBITDA	\$ 622,320	\$ 99,740	\$ 138,796	\$ 142,870	\$ 162,557	\$ 543,963	\$ 168,414	\$ 187,683	\$ 200,960	\$ 201,619	\$ 758,676	\$ 196,996	\$ 198,407	\$ 207,034	\$ 202,525	\$ 804,962
Depreciation and amortization	(871,631)	(203,672)	(208,090)	(217,075)	(214,106)	(842,943)	(213,448)	(218,262)	(208,517)	(226,643)	(866,870)	(210,391)	(218,319)	(221,557)	(225,824)	(876,091)
Operating income (loss)	(249,311)	(103,932)	(69,294)	(74,205)	(51,549)	(298,980)	(45,034)	(30,579)	(7,557)	(25,024)	(108,194)	(13,395)	(19,912)	(14,523)	(23,299)	(71,129)
Earnings (losses) from unconsolidated affiliates	(221,914)	2	-	4	1	7	2	(1)	-	-	1	(5)	-	-	-	(5)
Investment income (loss)	1,183	721	(886)	373	986	1,194	465	(3,164)	(1,342)	(5,458)	(9,499)	9,677	469	(1,437)	1,509	10,218
Interest expense	(185,360)	(56,518)	(54,688)	(54,607)	(57,076)	(222,889)	(61,386)	(60,592)	(51,415)	(53,731)	(227,124)	(52,352)	(51,491)	(51,291)	(49,177)	(204,311)
Other, net	(44,174)	(4,914)	(827)	(2,312)	(6,827)	(14,880)	(7,045)	(7,981)	(9,137)	(5,369)	(29,532)	(20,354)	(7,286)	(4,695)	(889)	(33,224)
Impairments and other charges	(498,499)	(8,596)	(9,277)	(3,247)	(23,416)	(44,536)	(7,044)	(69,620)	(13,770)	(54,012)	(144,446)	2,852	(103,183)	(3,939)	(186,201)	(290,471)
Income (loss) from continuing operations before income taxes	\$ (1,198,075)	\$ (173,237)	\$ (134,972)	\$ (133,994)	\$ (137,881)	\$ (580,084)	\$ (120,042)	\$ (171,937)	\$ (83,221)	\$ (143,594)	\$ (518,794)	\$ (73,577)	\$ (181,403)	\$ (75,885)	\$ (258,057)	\$ (588,922)
Income tax expense (benefit)	(186,831)	(25,609)	(19,496)	(14,709)	(23,156)	(82,970)	23,545	23,278	10,489	21,957	79,269	29,799	11,398	23,903	26,476	91,576
Subsidiary preferred stock dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income (loss) from continuing operations, net of tax	(1,011,244)	(147,628)	(115,476)	(119,285)	(114,725)	(497,114)	(143,587)	(195,215)	(93,710)	(165,551)	(598,063)	(103,376)	(192,801)	(99,788)	(284,533)	(680,498)
Income (loss) from discontinued operations, net of tax	(18,363)	(439)	(15,504)	(27,134)	(442)	(43,519)	(75)	(584)	(13,933)	(71)	(14,663)	(157)	(34)	157	22	(12)
Net income (loss)	(1,029,607)	(148,067)	(130,980)	(146,419)	(115,167)	(540,633)	(143,662)	(195,799)	(107,643)	(165,622)	(612,726)	(103,533)	(192,835)	(99,631)	(284,511)	(680,510)
Less: Net (income) loss attributable to noncontrolling interest	(135)	(917)	(1,971)	(2,113)	(1,177)	(6,178)	(539)	(2,953)	(6,934)	(17,796)	(28,222)	(14,176)	(10,729)	(19,297)	21,827	(22,375)
Net income (loss) attributable to Nabors	\$ (1,029,742)	\$ (148,984)	\$ (132,951)	\$ (148,532)	\$ (116,344)	\$ (546,811)	\$ (144,201)	\$ (198,752)	\$ (114,577)	\$ (183,418)	\$ (640,948)	\$ (117,709)	\$ (203,564)	\$ (118,928)	\$ (262,684)	\$ (702,885)
Less: Preferred stock dividend	-	-	-	-	-	-	-	(3,680)	(4,313)	(4,312)	(12,305)	(4,313)	(4,312)	(4,310)	(4,309)	(17,244)
Net income (loss) attributable to Nabors common shareholders	\$ (1,029,742)	\$ (148,984)	\$ (132,951)	\$ (148,532)	\$ (116,344)	\$ (546,811)	\$ (144,201)	\$ (202,432)	\$ (118,890)	\$ (187,730)	\$ (653,253)	\$ (122,022)	\$ (207,876)	\$ (123,238)	\$ (266,993)	\$ (720,129)
Earnings (losses) per share:																
Basic from continuing operations	(\$3.58)	(0.52)	(0.41)	(0.42)	(0.40)	(\$1.75)	(\$.46)	(\$.61)	(\$.31)	(\$.55)	(\$1.95)	(\$.36)	(\$.61)	(\$.37)	(\$.77)	(\$2.11)
Basic from discontinued operations	(0.06)	-	(0.05)	(0.10)	-	(0.15)	-	-	(0.04)	-	(0.04)	-	-	-	-	-
Total Basic	(\$3.64)	(\$0.52)	(\$0.46)	(\$0.52)	(\$0.40)	(\$1.90)	(\$0.46)	(\$0.61)	(\$0.35)	(\$0.55)	(\$1.99)	(\$0.36)	(\$0.61)	(\$0.37)	(\$0.77)	(\$2.11)
Diluted from continuing operations	(\$3.58)	(0.52)	(0.41)	(0.42)	(0.40)	(\$1.75)	(\$.46)	(\$.61)	(\$.31)	(\$.55)	(\$1.95)	(\$.36)	(\$.61)	(\$.37)	(\$.77)	(\$2.11)
Diluted from discontinued operations	(0.06)	-	(0.05)	(0.10)	-	(0.15)	-	-	(0.04)	-	(0.04)	-	-	-	-	-
Total Diluted	(\$3.64)	(\$0.52)	(\$0.46)	(\$0.52)	(\$0.40)	(\$1.90)	(\$0.46)	(\$0.61)	(\$0.35)	(\$0.55)	(\$1.99)	(\$0.36)	(\$0.61)	(\$0.37)	(\$0.77)	(\$2.11)
Weighted-average number of common shares outstanding:																
Basic	276,475	277,781	278,916	279,313	286,603	280,653	308,788	328,372	350,194	350,236	334,397	350,764	351,543	352,026	352,135	351,617
Diluted	276,475	277,781	278,916	279,313	286,603	280,653	308,788	328,372	350,194	350,236	334,397	350,764	351,543	352,026	352,135	351,617
Rig Activity:																
Average rigs working:																
U.S.	62.0	88.8	100.6	107.2	106.3	100.8	111.8	112.1	111.6	117.3	113.2	120.9	122.2	114.1	104.2	115.3
Canada	9.7	22.0	12.4	13.5	13.8	15.4	21.1	10.2	17.9	18.3	16.9	16.3	7.4	7.7	12.3	10.9
International	100.2	89.8	92.7	91.3	90.7	91.1	94.6	93.1	96.0	88.0	92.9	89.7	88.6	87.7	87.1	88.3
Total average rigs working	171.9	200.6	205.7	212.0	210.8	207.3	227.5	215.4	225.5	223.6	223.0	226.9	218.2	209.5	203.6	214.5