
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): April 26, 2019

Civeo Corporation

(Exact Name of Registrant as Specified in Charter)

British Columbia, Canada
(State or Other Jurisdiction of Incorporation)

1-36246
(Commission File Number)

98-1253716
(I.R.S. Employer Identification Number)

**Three Allen Center
333 Clay Street, Suite 4980
Houston, Texas 77002**
(Address of Principal Executive Offices) (Zip Code)

(713) 510-2400
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On April 26, 2019, Civeo Corporation (“Civeo”) issued a press release announcing its financial condition and results of operations as of and for the quarter ended March 31, 2019. A copy of the press release is furnished as Exhibit 99.1 to this report on Form 8-K, and is incorporated herein by reference.

The information contained in this report and the exhibit hereto shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, and shall not be deemed incorporated by reference into any filings made by Civeo under the Securities Act of 1933, as amended, or the Exchange Act, except as may be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit
Number Description of Document

99.1 [Press Release dated April 26, 2019](#)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Civeo Corporation

Date: April 26, 2019

By: /s/ Frank C. Steininger

Frank C. Steininger
Executive Vice President, Chief Financial
Officer and Treasurer

Civeo Reports First Quarter 2019 Results

HOUSTON and CALGARY, Alberta, April 26, 2019 (GLOBE NEWSWIRE) -- Civeo Corporation (NYSE:CVEO) today reported financial and operating results for the first quarter ended March 31, 2019.

Highlights include:

- Delivered first quarter revenues of \$108.6 million
- Reported first quarter net loss of \$17.5 million and Adjusted EBITDA of \$15.9 million
- Generated \$6.3 million in operating cash flow during the quarter
- Significantly improved year-over-year results from the U.S. segment
- Expanded our Sitka Lodge in British Columbia to 754 rooms during the quarter with 1,100 total rooms expected to be on site by June 2019

“Despite recent macroeconomic headwinds and winter seasonality, we are pleased to deliver first quarter revenue and Adjusted EBITDA in-line with our expectations. Our U.S. business generated significantly improved year-over-year results as our efforts to relocate well site assets into the Permian and Mid-Con regions over the past eighteen months produced materially improved utilization of those assets. Our Australia business also produced improved year-over-year revenues and Adjusted EBITDA as Bowen Basin activity increased with conducive metallurgical coal prices. Our first quarter Canadian Adjusted EBITDA was up year-over-year, primarily due to proceeds from an insurance claim, a full quarter of contribution from the Noralta acquisition and the impact of British Columbia LNG activity, partially offset by lower activity in our core oil sands lodges. We will continue to remain vigilant in adapting to dynamic market conditions in a way that maximizes the value of our company for our shareholders,” stated Bradley J. Dodson, Civeo's President and Chief Executive Officer.

Mr. Dodson added, “We expect a sequentially improved second quarter as increased turnaround and maintenance activity in Canada and Australia start up for the year coupled with growing contributions from LNG-related work at our Sitka Lodge in British Columbia. Looking forward, we seek to continue delivering on our strategic priorities: generating free cash flow, managing our balance sheet, investing in attractive growth opportunities in key end markets and continuing our best-in-class service offerings to customers.”

First Quarter 2019 Results

In the first quarter of 2019, Civeo generated revenues of \$108.6 million and reported a net loss of \$17.5 million, or \$0.11 per share. During the first quarter of 2019, Civeo produced operating cash flow of \$6.3 million and Adjusted EBITDA of \$15.9 million.

The first quarter of 2019 was in-line with the Company's expectations as a result of solid operational execution in the U.S. and Australia.

By comparison, in the first quarter of 2018, Civeo generated revenues of \$101.5 million and reported a net loss of \$55.5 million, or \$0.42 per share. The net loss included a pre-tax \$28.7 million impairment charge and \$1.0 million in costs associated with Civeo's acquisition of Noralta. During the first quarter of 2018, Civeo generated operating cash flow of \$2.8 million and Adjusted EBITDA of \$10.0 million.

(EBITDA is a non-GAAP financial measure that is defined as net income plus interest, taxes, depreciation and amortization, and Adjusted EBITDA is defined as EBITDA adjusted to exclude impairment charges and certain costs associated with Civeo's acquisition of Noralta. Please see the reconciliations to GAAP measures at the end of this news release.)

Business Segment Results

(Unless otherwise noted, the following discussion compares the quarterly results for the first quarter of 2019 to the results for the first quarter of 2018. The Adjusted EBITDA amounts discussed below exclude the fixed asset impairment and Noralta-related expenses in the first quarter of 2018 noted above.)

Canada

During the first quarter of 2019, the Canadian segment generated revenues of \$66.8 million, operating loss of \$11.6 million and Adjusted EBITDA of \$10.2 million, compared to revenues of \$63.4 million, operating loss of \$40.3 million and Adjusted EBITDA of \$8.9 million in the first quarter of 2018. The first quarter of 2019 results reflect the impact of a weakened Canadian dollar relative to the U.S. dollar, which decreased revenues by \$3.4 million. Included in first quarter 2019 Adjusted EBITDA for the Canadian segment is \$1.5 million of other income for proceeds from an insurance claim related to the closure of a lodge in 2018 for maintenance-related operational issues.

The Canadian segment saw softening room demand from major customers in the core oil sands lodges related to extended holiday downtime and the continued impact of provincially imposed oil production curtailments. These headwinds were partially offset by the inclusion of the Noralta assets, improving contribution of LNG-related occupancy in British Columbia and a recently announced food service contract.

Australia

During the first quarter of 2019, the Australian segment generated revenues of \$28.4 million, operating loss of \$0.4 million and Adjusted EBITDA of \$9.9 million, compared to revenues of \$27.9 million, operating loss of \$3.2 million and Adjusted EBITDA of \$9.1 million in the first quarter of 2018.

The first quarter of 2019 results reflect the impact of a weakened Australian dollar relative to the U.S. dollar, which decreased revenues by \$2.9 million. On a constant currency basis, the Australian segment experienced a 2% period-over-period increase in revenues driven by strong occupancy with billed rooms up 12% year-over-year primarily due to continued improvement in metallurgical coal activity across our Bowen Basin villages.

U.S.

The U.S. segment generated revenues of \$13.4 million, operating loss of \$1.0 million and Adjusted EBITDA of \$2.8 million in the first quarter of 2019, compared to revenues of \$10.2 million, operating loss of \$3.3 million and an Adjusted EBITDA loss of \$0.7 million in the first quarter of 2018. The year-over-year revenue improvement was primarily driven by increased drilling and completion activity in the Permian Basin and Mid-Con regions. The significant year-over-year Adjusted EBITDA improvement in the first quarter of 2019 is also due to lower year-over-year relocation expenses for the well site business, which was spent most of 2018 moving well site assets out of legacy northern markets into the Permian and Mid-Con regions.

Income Taxes

Civeo recognized an income tax benefit of \$4.5 million, which resulted in an effective tax rate of 20.8%, in the first quarter of 2019. During the first quarter of 2018, Civeo recognized an income tax benefit of \$0.7 million, which resulted in an effective tax rate of 1%.

Financial Condition

As of March 31, 2019, Civeo had total liquidity of approximately \$66.0 million, consisting of \$58.0 million available under its revolving credit facilities and \$8.0 million of cash on hand.

Civeo's total debt outstanding on March 31, 2019 was \$383.5 million, a \$4.3 million increase since December 31, 2018. The increase resulted primarily from a negative foreign currency translation impact of \$7.5 million, partially offset by debt repayments of \$3.2 million made during the quarter.

During the first quarter of 2019, Civeo invested \$9.7 million in capital expenditures, up from \$2.7 million during first quarter of 2018. The increase was primarily related to the expansion of its Sitka lodge in Canada to support LNG Canada related contracts, as well as selected room reactivations in Australia in anticipation of increased customer demand in the second half of 2019 going into 2020.

Second Quarter and Full Year 2019 Guidance

For the second quarter of 2019, Civeo expects revenues of \$113.0 million to \$118.0 million and Adjusted EBITDA of \$21.0 million to \$23.5 million. For the full year of 2019, Civeo expects revenues of \$475.0 million to \$485.0 million and Adjusted EBITDA of \$95.0 million to \$101.0 million.

Conference Call

Civeo will host a conference call to discuss its first quarter 2019 financial results today at 11:00 a.m. Eastern time. This call is being webcast and can be accessed at Civeo's website at www.civeo.com. Participants may also join the conference call by dialing (800)-289-0438 in the United States or (323)-794-2423 internationally and using the conference ID 9872605#. A replay will be available after the call by dialing (844) 512-2921 in the United States or (412) 317-6671 internationally and using the conference ID 9872605#.

About Civeo

Civeo Corporation is a leading provider of hospitality services with prominent market positions in the Canadian oil sands and the Australian natural resource regions. Civeo offers comprehensive solutions for lodging hundreds or thousands of workers with its long-term and temporary accommodations and provides food services, housekeeping, facility management, laundry, water and wastewater treatment, power generation, communications systems, security and logistics services. Civeo currently operates a total of 33 lodges and villages in operation in Canada and Australia, with an aggregate of approximately 33,000 rooms. Civeo is publicly traded under the symbol CVEO on the New York Stock Exchange. For more information, please visit Civeo's website at www.civeo.com.

Forward Looking Statements

This news release contains forward-looking statements within the meaning of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are those that do not state historical facts and are, therefore, inherently subject to risks and uncertainties. The forward-looking statements in this news release include the statements regarding Civeo's future plans, priorities, contracted revenues and borrowing needs; growth opportunities and ability to adapt to market conditions; expectations about activity, market demand and commodity price environment in 2019; expected benefits of the agreement with LNG Canada and LNG-related activity and second quarter and full year 2019 guidance. The forward-looking statements included herein are based on then current expectations and entail various risks and uncertainties that could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Such risks and uncertainties include, among other things, risks associated with the general nature of the accommodations industry, risks associated with the level of supply and demand for oil, coal, iron ore and other minerals, including the level of activity and developments in the Canadian oil sands, the level of demand for coal and other natural resources from Australia, and fluctuations in the current and future prices of oil, coal, iron ore and other minerals, risks associated with currency exchange rates, risks associated with the Noralta acquisition, risks associated with the development of new projects, including whether such projects will continue in the future, and other factors discussed in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of Civeo's annual report on Form 10-K for the year ended December 31, 2018 and other reports the Company may file from time to time with the U.S. Securities and Exchange Commission. Each forward-looking statement contained in this news release speaks only as of the date of this release. Except as required by law, Civeo expressly disclaims any intention or obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise.

- Financial Schedules Follow -

CIVEO CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share amounts)

| | Three Months Ended | |
|---|---------------------------|--------------------|
| | March 31, | |
| | 2019 | 2018 |
| | <u> </u> | <u> </u> |
| Revenues | \$ 108,550 | \$ 101,504 |
| Costs and expenses: | | |
| Cost of sales and services | 79,630 | 77,701 |
| Selling, general and administrative expenses | 16,096 | 16,514 |
| Depreciation and amortization expense | 30,782 | 30,764 |
| Impairment expense | — | 28,661 |
| Other operating expense (income) | (65) | 379 |
| | <u>126,443</u> | <u>154,019</u> |
| Operating loss | (17,893) | (52,515) |
| Interest expense | (6,635) | (5,822) |
| Interest income | 27 | 58 |
| Other income | 2,978 | 2,259 |
| Loss before income taxes | (21,523) | (56,020) |
| Income tax benefit | 4,484 | 685 |
| Net loss | (17,039) | (55,335) |
| Less: Net income attributable to noncontrolling interest | — | 122 |
| Net loss attributable to Civeo Corporation | (17,039) | (55,457) |
| Less: Dividends attributable to Class A preferred shares | 459 | — |
| Net loss attributable to Civeo Corporation common shareholders | <u>\$ (17,498)</u> | <u>\$ (55,457)</u> |
| Net loss per share attributable to Civeo Corporation common shareholders: | | |
| Basic | \$ (0.11) | \$ (0.42) |
| Diluted | \$ (0.11) | \$ (0.42) |
| Weighted average number of common shares outstanding: | | |
| Basic | 165,330 | 131,631 |
| Diluted | 165,330 | 131,631 |

CIVEO CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands)

| | March 31, 2019 | December 31, |
|---|-----------------------|---------------------|
| | (UNAUDITED) | 2018 |
| Current assets: | | |
| Cash and cash equivalents | \$ 7,992 | \$ 12,372 |
| Accounts receivable, net | 73,513 | 70,223 |
| Inventories | 4,276 | 4,313 |
| Assets held for sale | 8,058 | 10,297 |
| Prepaid expenses and other current assets | 9,267 | 10,592 |
| Total current assets | 103,106 | 107,797 |
| Property, plant and equipment, net | 650,919 | 658,905 |
| Goodwill, net | 119,158 | 114,207 |
| Other intangible assets, net | 111,542 | 119,409 |
| Operating lease right-of-use assets | 22,225 | — |
| Other noncurrent assets | 1,048 | 1,359 |
| Total assets | \$ 1,007,998 | \$ 1,001,677 |
| Current liabilities: | | |
| Accounts payable | \$ 30,053 | \$ 28,334 |
| Accrued liabilities | 13,371 | 15,956 |
| Income taxes | 572 | 310 |
| Current portion of long-term debt | 34,068 | 33,329 |
| Deferred revenue | 3,598 | 3,035 |
| Other current liabilities | 9,407 | 5,719 |
| Total current liabilities | 91,069 | 86,683 |
| Long-term debt | 346,841 | 342,908 |
| Deferred income taxes | 13,838 | 18,442 |
| Operating lease liabilities | 18,529 | — |
| Other noncurrent liabilities | 16,404 | 18,220 |
| Total liabilities | 486,681 | 466,253 |
| Shareholders' equity: | | |
| Preferred shares | 56,739 | 56,280 |
| Common shares | — | — |
| Additional paid-in capital | 1,564,667 | 1,562,133 |
| Accumulated deficit | (728,748) | (710,551) |
| Treasury stock | (5,471) | (1,189) |
| Accumulated other comprehensive loss | (365,870) | (371,249) |
| Total Civeo Corporation shareholders' equity | 521,317 | 535,424 |
| Noncontrolling interest | — | — |
| Total shareholders' equity | 521,317 | 535,424 |
| Total liabilities and shareholders' equity | \$ 1,007,998 | \$ 1,001,677 |

CIVEO CORPORATION
UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

| | Three Months Ended | |
|---------------------------------------|---------------------------|-------------|
| | March 31, | |
| | 2019 | 2018 |
| Cash flows from operating activities: | | |
| Net loss | \$ (17,039) | \$ (55,335) |

| | | |
|---|----------|-----------|
| Adjustments to reconcile net loss to net cash provided by operating activities: | | |
| Depreciation and amortization | 30,782 | 30,764 |
| Impairment charges | — | 28,661 |
| Deferred income tax provision (benefit) | (4,745) | 2 |
| Non-cash compensation charge | 2,534 | 2,200 |
| Gain on disposals of assets | (1,452) | (2,147) |
| Provision for loss on receivables, net of recoveries | (32) | (35) |
| Other, net | (410) | 2,047 |
| Changes in operating assets and liabilities: | | |
| Accounts receivable | (2,377) | 4,837 |
| Inventories | 87 | 2,190 |
| Accounts payable and accrued liabilities | (1,417) | (10,352) |
| Taxes payable | 262 | (1,358) |
| Other current assets and liabilities, net | 148 | 1,364 |
| Net cash flows provided by operating activities | 6,341 | 2,838 |
| Cash flows from investing activities: | | |
| Capital expenditures | (9,679) | (2,696) |
| Payments related to acquisitions, net of cash acquired | — | (23,771) |
| Proceeds from disposition of property, plant and equipment | 4,457 | 2,718 |
| Other, net | 1,518 | 110 |
| Net cash flows used in investing activities | (3,704) | (23,639) |
| Cash flows from financing activities: | | |
| Term loan repayments | (8,608) | (4,079) |
| Revolving credit borrowings (repayments), net | 5,396 | 35,641 |
| Taxes paid on vested shares | (4,282) | (594) |
| Net cash flows provided by (used in) financing activities | (7,494) | 30,968 |
| Effect of exchange rate changes on cash | 477 | (837) |
| Net change in cash and cash equivalents | (4,380) | 9,330 |
| Cash and cash equivalents, beginning of period | 12,372 | 32,647 |
| Cash and cash equivalents, end of period | \$ 7,992 | \$ 41,977 |

CIVEO CORPORATION
SEGMENT DATA
(in thousands)
(unaudited)

| | Three Months Ended | |
|----------------------------|---------------------------|--------------------|
| | March 31, | |
| | 2019 | 2018 |
| Revenues | | |
| Canada | \$ 66,770 | \$ 63,390 |
| Australia | 28,421 | 27,875 |
| United States | 13,359 | 10,239 |
| Total revenues | <u>\$ 108,550</u> | <u>\$ 101,504</u> |
| EBITDA (1) | | |
| Canada | \$ 10,173 | \$ (20,026) |
| Australia | 9,853 | 9,107 |
| United States | 2,796 | (738) |
| Corporate and eliminations | (6,955) | (7,957) |
| Total EBITDA | <u>\$ 15,867</u> | <u>\$ (19,614)</u> |
| Adjusted EBITDA (1) | | |
| Canada | \$ 10,173 | \$ 8,903 |

| | | |
|----------------------------|--------------------|--------------------|
| Australia | 9,853 | 9,107 |
| United States | 2,796 | (738) |
| Corporate and eliminations | (6,955) | (7,259) |
| Total adjusted EBITDA | <u>\$ 15,867</u> | <u>\$ 10,013</u> |
| Operating income (loss) | | |
| Canada | \$ (11,595) | \$ (40,303) |
| Australia | (385) | (3,166) |
| United States | (961) | (3,264) |
| Corporate and eliminations | (4,952) | (5,782) |
| Total operating loss | <u>\$ (17,893)</u> | <u>\$ (52,515)</u> |

(1) Please see Non-GAAP Reconciliation Schedule.

CIVEO CORPORATION
NON-GAAP RECONCILIATIONS
(in thousands)
(unaudited)

| | Three Months Ended | |
|---------------------|---------------------------|-------------|
| | March 31, | |
| | <u>2019</u> | <u>2018</u> |
| EBITDA (1) | \$ 15,867 | \$ (19,614) |
| Adjusted EBITDA (1) | \$ 15,867 | \$ 10,013 |
| Free Cash Flow (2) | \$ 1,119 | \$ 2,860 |

(1) The term EBITDA is defined as net income (loss) attributable to Civeo Corporation plus interest, taxes, depreciation and amortization. The term Adjusted EBITDA is defined as EBITDA adjusted to exclude impairment charges and certain costs associated with Civeo's acquisition of Noralta. EBITDA and Adjusted EBITDA are not measures of financial performance under generally accepted accounting principles and should not be considered 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. Additionally, EBITDA and Adjusted EBITDA may not be comparable to other similarly titled measures of other companies. Civeo has included EBITDA and Adjusted EBITDA as supplemental disclosures because its management believes that EBITDA and Adjusted EBITDA provide useful information regarding its ability to service debt and to fund capital expenditures and provide investors a helpful measure for comparing the Civeo's operating performance with the performance of other companies that have different financing and capital structures or tax rates. Civeo uses EBITDA and Adjusted EBITDA to compare and to monitor the performance of its business segments to other comparable public companies and as a benchmark for the award of incentive compensation under its annual incentive compensation plan.

The following table sets forth a reconciliation of EBITDA and Adjusted EBITDA to net loss attributable to Civeo Corporation, which is the most directly comparable measure of financial performance calculated under generally accepted accounting principles (in thousands) (unaudited):

| | Three Months Ended | |
|---|---------------------------|--------------------|
| | March 31, | |
| | <u>2019</u> | <u>2018</u> |
| Net income (loss) attributable to Civeo Corporation | \$ (17,039) | \$ (55,457) |
| Income tax provision (benefit) | (4,484) | (685) |
| Depreciation and amortization | 30,782 | 30,764 |
| Interest income | (27) | (58) |
| Interest expense | 6,635 | 5,822 |
| EBITDA | <u>\$ 15,867</u> | <u>\$ (19,614)</u> |
| Adjustments to EBITDA | | |
| Impairment expense (a) | — | 28,661 |
| Noralta transaction costs (b) | — | 966 |
| Adjusted EBITDA | <u>\$ 15,867</u> | <u>\$ 10,013</u> |

(a) Relates to the first quarter 2018 impairment of assets in Canada. We recorded a pre-tax loss of \$28.7 million (\$20.9 million after-tax, or \$0.13 per diluted share), which is included in Impairment expense on the unaudited statements of operations.

(b) Relates to costs incurred associated with Civeo's acquisition of Noralta. During the first quarter 2018, the \$1.0 million of costs (\$0.9 million after-tax, or \$0.01, per diluted share), which are primarily corporate in nature, are included in Selling, general and administrative expenses on the unaudited statements of operations.

(2) The term Free Cash Flow is defined as net cash flows provided by operating activities less capital expenditures plus proceeds from asset sales. Free Cash Flow is not a measure of financial performance under generally accepted accounting principles and should not be considered in isolation from or as a substitute for cash flow measures prepared in accordance with generally accepted accounting principles or as a measure of profitability or liquidity. Additionally, Free Cash Flow may not be comparable to other similarly titled measures of other companies. Civeo has included Free Cash Flow as a supplemental disclosure because its management believes that Free Cash Flow provides useful information regarding the cash flow generating ability of its business relative to its capital expenditure and debt service obligations. Civeo uses Free Cash Flow to compare and to understand, manage, make operating decisions and evaluate Civeo's business. It is also used as a benchmark for the award of incentive compensation under its Free Cash Flow plan.

The following table sets forth a reconciliation of Free Cash Flow to Net Cash Flows Provided by Operating Activities, which is the most directly comparable measure of financial performance calculated under generally accepted accounting principles (in thousands) (unaudited):

| | Three Months Ended March 31, | |
|--|---|-----------------|
| | 2019 | 2018 |
| Net Cash Flows Provided by Operating Activities | \$ 6,341 | \$ 2,838 |
| Capital expenditures, including capitalized interest | (9,679) | (2,696) |
| Proceeds from disposition of property, plant and equipment | 4,457 | 2,718 |
| Free Cash Flow | <u>\$ 1,119</u> | <u>\$ 2,860</u> |

**CIVEO CORPORATION
NON-GAAP RECONCILIATIONS - GUIDANCE
(in millions)
(unaudited)**

| | Three Months Ending June 30, 2019 | | Year Ending December 31, 2019 | |
|------------------|--|------|--|-------|
| | \$ | \$ | \$ | \$ |
| EBITDA Range (1) | 21.0 | 23.5 | 95.0 | 101.0 |

(1) (1) The following table sets forth a reconciliation of estimated EBITDA to estimated net loss, which is the most directly comparable measure of financial performance calculated under generally accepted accounting principles (in millions) (unaudited):

| | Three Months Ending June 30, 2019 (estimated) | | Year Ending December 31, 2019 (estimated) | |
|--------------------------------|--|----------------|--|-----------------|
| | \$ | \$ | \$ | \$ |
| Net loss | (16.0) | (14.5) | (53.0) | (50.0) |
| Income tax provision (benefit) | (3.0) | (2.0) | (12.0) | (9.0) |
| Depreciation and amortization | 33.5 | 33.5 | 135.0 | 135.0 |
| Interest expense | 6.5 | 6.5 | 25.0 | 25.0 |
| EBITDA | <u>\$ 21.0</u> | <u>\$ 23.5</u> | <u>\$ 95.0</u> | <u>\$ 101.0</u> |

**CIVEO CORPORATION
SUPPLEMENTAL QUARTERLY SEGMENT AND OPERATING DATA
(U.S. dollars in thousands, except for room counts and average daily rates)
(unaudited)**

**Three Months Ended
March 31,**

| | 2019 | 2018 |
|---|------------------|------------------|
| Supplemental Operating Data - Canadian Segment | | |
| Revenues | | |
| Accommodation revenue (1) | \$ 57,652 | \$ 50,647 |
| Mobile facility rental revenue (2) | 781 | 7,794 |
| Food and other services revenue (3) | 8,337 | 3,739 |
| Manufacturing revenue (4) | — | 1,210 |
| Total Canadian revenues | <u>\$ 66,770</u> | <u>\$ 63,390</u> |
| Costs | | |
| Accommodation cost | \$ 42,217 | \$ 37,038 |
| Mobile facility rental cost | 649 | 7,404 |
| Food and other services cost | 8,236 | 3,218 |
| Manufacturing cost | 189 | 1,239 |
| Indirect other cost | 3,356 | 2,997 |
| Total Canadian cost of sales and services | <u>\$ 54,647</u> | <u>\$ 51,896</u> |
| Average daily rates (5) | \$ 92 | \$ 88 |
| Billed rooms (6) | 625,992 | 572,888 |
| Canadian dollar to U.S. dollar | \$ 0.752 | \$ 0.791 |
| Supplemental Operating Data - Australian Segment | | |
| Accommodation revenue (1) | \$ 28,421 | \$ 27,698 |
| Food and other services revenue (3) | — | 177 |
| Total Australian revenues | <u>\$ 28,421</u> | <u>\$ 27,875</u> |
| Costs | | |
| Accommodation cost | \$ 14,397 | \$ 14,506 |
| Food and other services cost | — | 163 |
| Indirect other cost | 602 | 664 |
| Total Australian cost of sales and services | <u>\$ 14,999</u> | <u>\$ 15,333</u> |
| Average daily rates (5) | \$ 74 | \$ 81 |
| Billed rooms (6) | 382,581 | 341,579 |
| Australian dollar to U.S. dollar | \$ 0.712 | \$ 0.786 |

(1) Includes revenues related to lodge and village rooms and hospitality services for owned rooms for the periods presented.

(2) Includes revenues related to mobile camps for the periods presented.

(3) Includes revenues related to food service, laundry and water and wastewater treatment services for the periods presented.

(4) Includes revenues related to modular construction and offshore manufacturing services for the periods presented.

(5) Average daily rate is based on billed rooms and accommodation revenue.

(6) Billed rooms represents total billed days for the periods presented.

CONTACT:

Frank C. Steininger
Civeo Corporation
Executive Vice President & Chief Financial Officer
713-510-2400

Jeffrey Spittel
FTI Consulting
713-353-5407

