



TOTAL ENERGY SERVICES INC.

Scotiabank CAPP CANADA'S OIL & NATURAL GAS PRODUCERS

**SCOTIABANK CAPP
ENERGY SYMPOSIUM**

April 10-11, 2018
Toronto, ON

FOCUS DISCIPLINE GROWTH

TOT Corporate Information

Shares outstanding <i>(at March 31, 2018)</i>	46.2 million
Options outstanding <i>(at March 31, 2018)</i>	3.3 million
Market capitalization <i>(basic, at \$13.50 share price)</i>	\$625 million
Working Capital ⁽¹⁾ <i>(at December 31, 2017)</i>	\$54.9 million
Long-term debt ⁽²⁾ <i>(at December 31, 2017)</i>	\$257.8 million
Property, Plant & Equipment <i>(at December 31, 2017)</i>	\$793.5 million
Director/Officer ownership, %	5.6%
Common share dividend	\$0.06/quarter

- (1) Working capital equals current assets minus current liabilities (current liabilities includes \$72.0 million of current portion of long-term debt).
- (2) Long-term debt plus obligations under capital leases, excluding current portion.

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Savanna Acquisition Update

- Acquisition effective April 5, 2017 and completed June 20, 2017
- Integration substantially complete (except for SVY ERP remediation) - expect ≈\$14 million of operating and SG&A cost savings to be realized in 2018 (40% above original \$10 million target)
- Secured a three year \$225 million syndicated bank revolving credit facility (\$75 million accordion to \$300 million)
- Refinanced \$144.1 million of SVY debt resulting in ≈\$5.0 million of annual interest expense savings
- Expect additional interest expense savings with refinancing of \$67.5 million of SVY 7.0% unsecured senior notes due in May 2018
- Commenced asset rationalization process in Q4 2017



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TOT Business Segments

Diversified Exposure to Global Energy Development

Contract Drilling Services

- 116 drilling rigs
- 2nd largest Canadian drilling fleet (86 rigs)
- Operations in USA (25 rigs) and Australia (5 rigs)

Rentals and Transportation Services

- Leading provider of oilfield surface equipment rentals and transportation services
- 11,000 major rental pieces and 112 heavy trucks in 27 branch locations throughout Western Canada and Northwestern USA

Well Servicing

- 84 service rigs - Canada (57), USA (15) and Australia (12)

Compression & Process Services

- Leading Canadian natural gas compression packager with growing US and international business
- Established market presence in the oil and natural gas process equipment fabrication industry



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2017 Financial Performance

(in thousands of CDN dollars)

Year ended December 31, 2017 ⁽¹⁾	CDS	RTS	CPS	WS	Corporate	Consolidated
Revenue	\$ 158,051	\$ 68,867	\$ 266,376	\$ 111,368	\$ -	\$ 604,662
EBITDA	\$ 17,325	\$ 14,157	\$ 28,152	\$ 28,699	\$ (16,729) ⁽²⁾	\$ 71,604
EBITDA Margin	11%	21%	11%	26%		12%
Total Assets	\$ 460,712	\$ 239,876	\$ 201,392	\$ 142,574	\$ 22,227	\$1,066,781

(1) Includes Savanna results from April 5, 2017.

(2) Includes \$7.6 million of non-recurring expenses related to the acquisition and integration of Savanna.

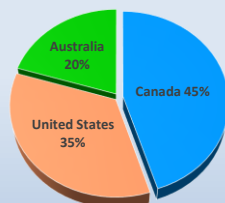
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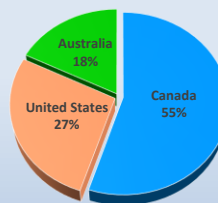
Revenue Diversification

(in thousands of CDN dollars)

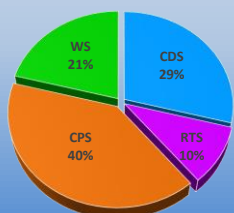
Q4 2017 - Revenue by Country



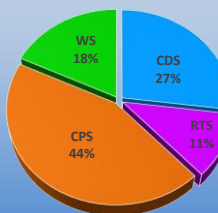
2017 - Revenue by Country



Q4 2017 - Revenue by Segment



2017 - Revenue by Segment



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Looking Forward

\$48 million 2018 capital budget:

- \$24.0 million for equipment maintenance and upgrades
 - includes \$4.0 million of capital leases for light duty vehicles
- \$24.0 million of growth capital:
 - primarily targeting continued international expansion and compression rental fleet additions in CPS segment

Record CPS fabrication sales backlog of \$167.9 million at December 31, 2017



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Cautionary Statements

Forward-Looking Information

Certain information presented in these remarks and in this presentation that is not historical factual information and/or based on current views and assumptions and is subject to uncertainties may constitute forward-looking information within the meaning of securities laws. Actual results could differ materially from a conclusion, forecast or projection contained in such forward-looking information. Forward-looking information may relate to our future outlook and anticipated events or results and may include statements about Total Energy Services Inc. or its subsidiaries ("Total Energy" or "Total"), including business operations, strategy and expected financial performance and condition. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "could", "should", "can", "anticipate", "estimate", "intend", "plan", "expect", "believe", "will", "may", "continue", "project", "potential" and similar expressions and statements, or negative versions thereof. In addition, any statement that may be made concerning future financial performance, ongoing business strategies or prospects, and possible future action on our part, is also a forward-looking statement. Undue reliance should not be placed on forward-looking information and statements. Whether actual results, performance or achievements will conform to our expectations and predictions is subject to a number of known and unknown risks and uncertainties which could cause actual results to differ materially from our expectations.

Certain material factors or assumptions were also applied in drawing a conclusion or making a forecast or projection as reflected in such forward-looking information. Additional information about the material factors that could cause actual results to differ materially from the conclusions, forecasts or projections in the forward looking information, details regarding the material factors or assumptions that were applied in drawing such conclusions or making such forecasts or projections, and more exhaustive information on the risks and uncertainties can be found in Total's continuous disclosure documents, including but not limited to its most recent Annual Information Form which is available on www.sedar.com

Non-IFRS Measures

EBITDA means earnings before interest, taxes, depreciation and amortization and is equal to net income before income taxes plus finance costs plus depreciation minus finance income. Cashflow means cash provided by operations before changes in non-cash working capital items. EBITDA is not a recognized measure under International Financial Reporting Standards ("IFRS"). Management believes that in addition to net income, EBITDA is a useful supplemental measure as it provides an indication of the results generated by the Company's primary business activities prior to consideration of how those activities are financed, amortized or how the results are taxed in various jurisdictions. Readers should be cautioned, however, that EBITDA should not be construed as an alternative to net income determined in accordance with IFRS as an indicator of Total Energy's performance. Total Energy's method of calculating EBITDA may differ from other organizations and, accordingly, EBITDA may not be comparable to measures used by other organizations.

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TOTAL ENERGY SERVICES INC. 

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