

# Energy Perspectives

## Inside

### 03

Public Markets Update as of December 5, 2012

### 04

Market Review

### 05

Upcoming Events  
Featured Articles  
Industry Remarks

### 06

Appendix:  
Selected Public Company  
Trading Statistics

### 12

Appendix:  
Relevant M&A Transactions

### 13

Selected Duff & Phelps Transactions

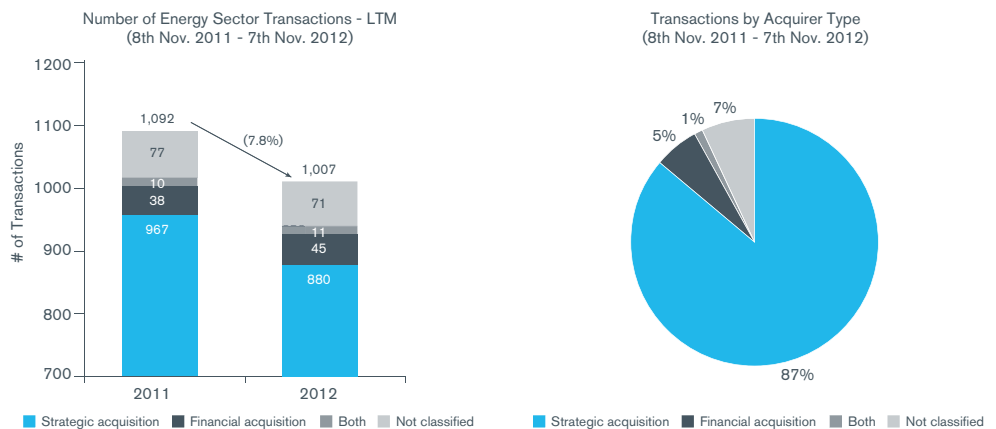
### 14

Contacts

## M&A Overview

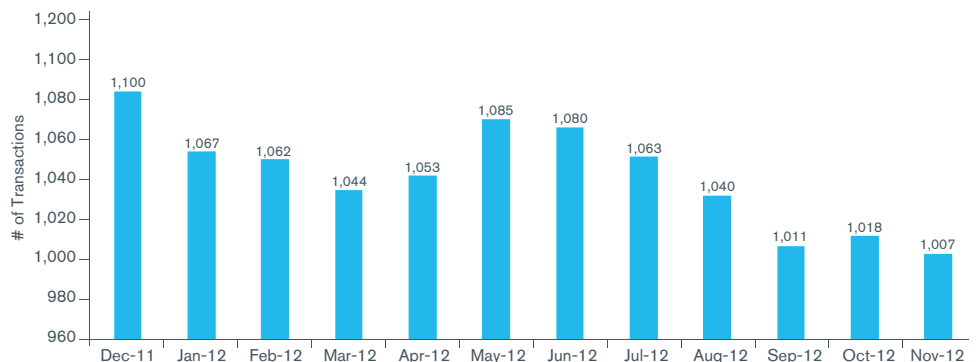
For the LTM period ending 7th November 2012, there were 1,007 energy transactions representing a 7.8% decline as compared to 1,092 transactions recorded in the same period last year. Barring October 2012, rolling LTM deals declined since the May 2012 peak of 1,085 deals. Over the past three months, we have seen a significant decline in M&A deal volume, relative to the year ago period, with total deal volume declining by 20%.

### Exhibit 1: Transaction Activity



Source: Capital IQ

### Exhibit 2: Monthly Transaction Volume - Rolling LTM

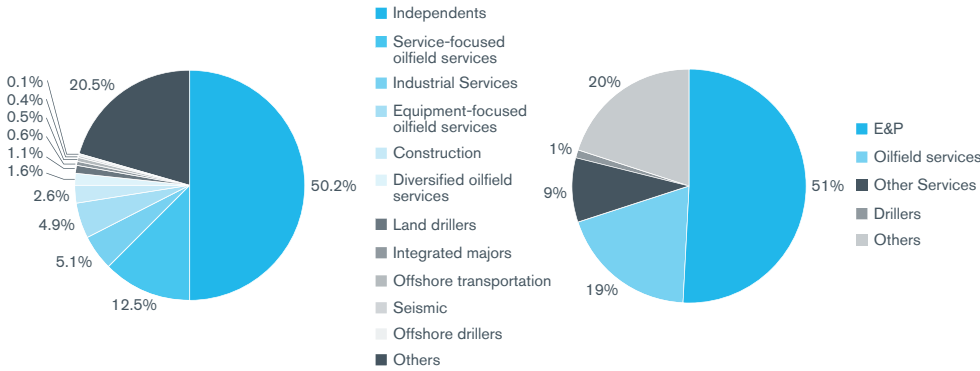


Source: Capital IQ

### M&A Target Spectrum

Significant acquisitions were announced across wide range of subsectors such as exploration and production, industrial services, service-focused oilfield services and equipment-focused oilfield services.

Exhibit 3: M&A Target Spectrum – LTM (8th November 2011 – 7th November 2012)



Source: Capital IQ

Note: Other Services include construction, offshore transportation, seismic and industrial services. Others include conglomerates.

### Private Equity Remains Active

Private equity buyers are expanding in all sectors of the energy industry as they are increasingly looking for entry points to position themselves to participate in the fast growing energy sector. This can be seen by the increased proportion of announced deals made by financial buyers from 3.5% last year to 4.5% over the last twelve months, indicating their interest in energy sector.

### Outlook

We expect private equity and strategic buyer activity to remain strong during 2013. With certain OFS segments experiencing margin compression, as a result of over capacity, accelerated consolidation is expected to occur. Robust activity is expected to continue in onshore oil and liquids-rich plays, and gas drilling is not expected to materially increase prior to a healthy improvement in natural gas prices. Strong drilling activity in oil and liquids-rich plays will continue to drive the need for midstream infrastructure, while the abundance of US natural gas will continue to propel downstream petrochemical investment. The positive outlook for offshore and deep water drilling is expected to result in an increase in M&A activity among both service and manufacturing businesses focused on this market. Environmental solutions providers to the energy industry are projected to experience significant interest from potential buyers, resulting from the perception of greater EPA focus on the energy industry post the Obama administration's re-election. Given the long-term positive outlook of the US energy industry as a growth industry, businesses that possess proprietary technology or represent opportunities for general industrial businesses to access the energy industry for growth will experience aggressive interest from both private equity and strategic buyers in 2013.

1. Source: [http://www.forbes.com/forbesinsights/energy\\_sector\\_outlook\\_2012/index.html](http://www.forbes.com/forbesinsights/energy_sector_outlook_2012/index.html)  
 2. Source: <http://www.eia.gov/forecasts/steo/>

# Public Markets Update as of December 5, 2012<sup>1</sup>

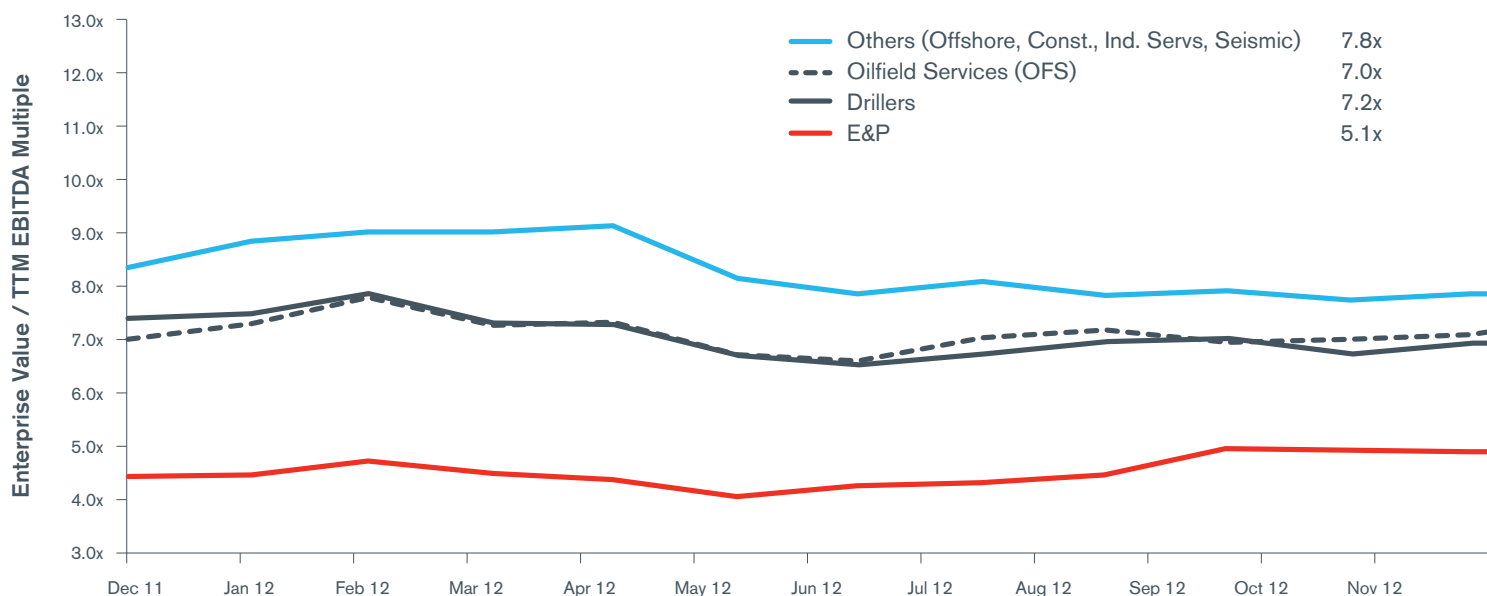
## Energy Sub-Sector Summary<sup>2</sup>

Oilfield Service (OFS)	Average LTM EBITDA Margin	Average EV/EBITDA		Average % of 52-Week High
		LTM	2012E	
Diversified	21.1%	5.8x	5.7x	80.7%
Service Focused	24.0	5.5	5.3	68.2
Equipment Focused	22.3	9.8	9.3	78.8
<b>E&amp;P</b>				
Integrated Majors	14.4%	4.1x	3.8x	82.4%
Large Independents	51.5	6.2	5.8	78.3
<b>Drillers</b>				
Land	33.9%	4.2x	4.3x	72.0%
Offshore	41.8	10.1	9.5	87.9
<b>Others</b>				
Offshore Transportation	24.1%	8.8x	9.4x	84.9%
Construction	8.5	7.7	6.9	76.1
Industrial Services	8.7	9.4	8.3	81.9
Seismic Related	25.7	5.3	4.1	68.1
Average <sup>3</sup>	24.0%	7.0x	6.6x	78.1%
Median	24.0%	6.2x	5.8x	78.8%

- (1) For definitions, refer to page 6.  
 (2) For more data around the constituents of each sub-sector, refer to pages 6-11.  
 (3) Excludes the highest and lowest values.

Source: Capital IQ

## Average Major Energy Sectors' Trading Multiples for the Last 12 Months



Source: Capital IQ

# Market Review

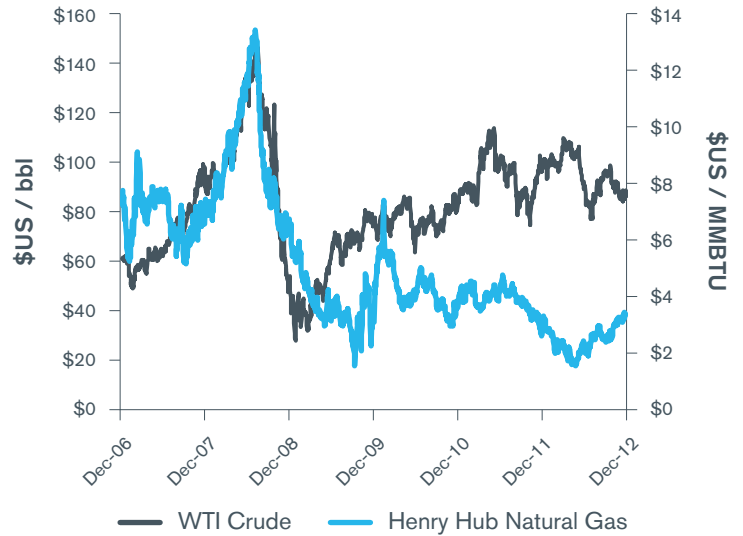
OSX Index — Last 12 Months through 12/05/2012



Year Over Year Change = (1.3%)

Source: Capital IQ

Crude Oil & Natural Gas Spot Prices — 2006 to 12/05/2012



Current Oil & Gas Prices as of 12/05/2012

Oil	Gas	Oil 12 Mo Strip	Gas 12 Mo Strip
\$87.88	\$3.41	\$88.62	\$3.94

Sources: EIA, Bloomberg

North American Rig Count as of 12/05/2012

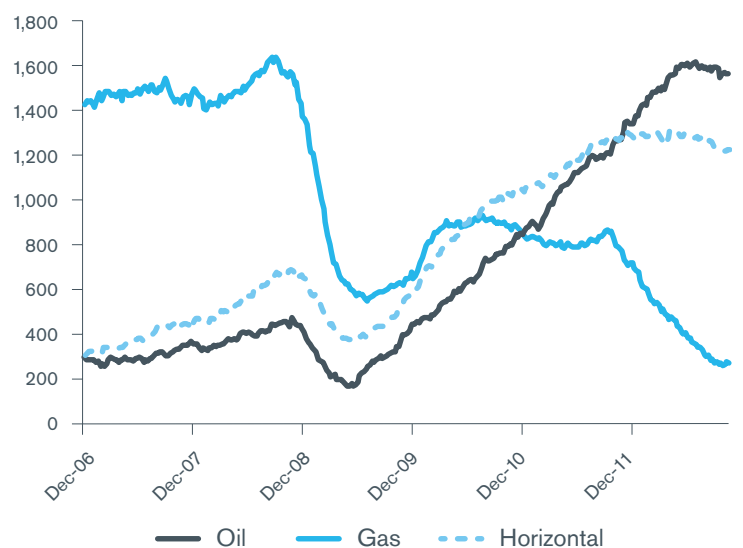
Location	This Week	+/-	Last Week	+/-	Year Ago
Land	1,741	(4)	1,745	(190)	1,931
Inland Waters	20	1	19	0	20
Offshore	50	(3)	53	8	42
<b>United States Total</b>	<b>1,811</b>	<b>(6)</b>	<b>1,817</b>	<b>(182)</b>	<b>1,993</b>

Gulf of Mexico	48	(2)	50	8	40
Canada	399	12	387	(85)	484
North America	2,210	6	2,204	(267)	2,477

U.S. Breakout	This Week	+/-	Last Week	+/-	Year Ago
Oil	1,386	(2)	1,388	254	1,132
Gas	424	(4)	428	(432)	856
Miscellaneous	1	0	1	(4)	5
Directional	193	(1)	194	(24)	217
Horizontal	1,110	(4)	1,114	(46)	1,156
Vertical	508	(1)	509	(112)	620

Source: Baker Hughes

U.S. Historical Rig Count — 2006 to 12/05/2012



Source: Baker Hughes

% of Total U.S. Rig Count

	Gas	Oil	Land	Horizontal
September 5, 2012	23.4%	76.6%	96.1%	61.3%
Year Ago	43.4%	56.6%	96.9%	57.9%

Source: Baker Hughes

## Upcoming Events

### ACG Energy Uncorked Private Equity Marketplace & Wine Tasting

January 8, 2013 | Houston, TX

Hosted at the Hotel ZaZa from 5:30pm until 8:30pm to bring together professionals from all aspects of energy finance.

### IPAA – Private Capital Conference

January 21, 2013 | Houston, TX

A&D professionals discuss the availability and best practices for raising private capital to fund oil & gas investments.

### Platts Anadarko Basin Oil & Gas Conference

January 24-25, 2013 | Houston, TX

Insight into the status of the Mississippi Lime, Granite Wash, and Hogshooter Plays with a focus on meeting infrastructure and water challenges.

### Hart Energy - Marcellus Midstream Conference

January 29-31, 2013 | Pittsburgh, PA

Analysis of the critical shortcomings and opportunities in expanding midstream capacity for the Marcellus play.

---

## Featured Articles

### Report: Reaping the benefits of natural gas will require action now

Marc S. Lipschultz, Head of Energy for KKR & Co., analyzes key challenges and opportunities facing the future of natural gas production and transport in the United States.

<http://fuelfix.com/blog/2012/11/15/report-reaping-the-benefits-of-natural-gas-will-require-action-now/>

*FuelFix*, November 15, 2012

### Harsher energy regulations coming in Obama's second term

Insight from various stakeholders on the impact and potential for more emissions regulation with tighter rules and standards for oil and gas drilling in the United States.

<http://www.reuters.com/article/2012/11/07/usa-campaign-energy-companies-obama-idUSL1E8M-1DXK20121107>

*Reuters*, November 7, 2012

---

## Industry Remarks

“Due to additional operating days and the absence of a holiday in October, we generated sequentially higher rig and truck hours. Well service rig utilization began feeling the seasonal effect of shorter workdays during October with a full hour less of daylight available each day compared to September. We expect that well servicing utilization will decline to the mid-60% range in November and December as the result of declining daylight hours, and the impact of Thanksgiving and year-end holidays, as well as the possibility of weather interruptions. In general, the operating and pricing landscape continues to be competitive across all business segments. Customers are winding down their 2012 capital spending and will likely take advantage of extended holiday breaks, which will substantially reduce demand at year end. Customer plans for 2013 are starting to be announced, but there are still no indications as to the timing of their expenditures for next year.”

*Ken Huseman*, CEO of Basic Energy Services

“Concerns that market dynamics will be disrupted by the 92 jack ups under construction (two thirds of which are uncontracted) are overblown in our view. We believe the jack up market is on the cusp of a meaningful retirement cycle, and that these new units will be absorbed, extending current tight market conditions. Currently there are 474 jack up rigs in the worldwide fleet but 317 units are at least 25 years or older. We believe the mass aging of the worldwide fleet coupled with increasing operator preference for new equipment will lead to a significant retirement cycle resulting in demand for both premium and standard jack up rigs to continue improving.”

*James C. West*, Barclays Capital Inc.

# Appendix

## Selected Public Company Trading Statistics

### OILFIELD SERVICE (OFS)<sup>(1)</sup> (3)

	Ticker	Price as of 12/05/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
<b>Diversified</b>													
Baker Hughes Incorporated	BHI	\$42.00	\$37.08	\$55.34	\$18,465.2	\$22,801.2	\$21,403.0	\$4,071.0	\$3,905.9	19.0%	5.6x	5.8x	75.9%
Halliburton Company	HAL	33.50	26.28	39.19	31,087.6	33,898.6	28,277.0	6,473.0	6,038.5	22.9	5.2	5.6	85.5
Schlumberger Limited	SLB	71.32	59.12	80.78	94,682.3	101,214.3	43,856.0	11,090.0	11,209.7	25.3	9.1	9.0	88.3
Weatherford International Ltd.	WFT	10.73	8.84	18.33	8,150.8	15,723.8	13,733.0	2,662.0	2,846.0	19.4	5.9	5.5	58.5
				<b>Average<sup>2</sup></b>	<b>\$24,776.4</b>	<b>\$28,349.9</b>	<b>\$24,840.0</b>	<b>\$5,272.0</b>	<b>\$4,972.2</b>	<b>21.1%</b>	<b>5.8x</b>	<b>5.7x</b>	<b>80.7%</b>
				<b>Median</b>	<b>\$24,776.4</b>	<b>\$28,349.9</b>	<b>\$24,840.0</b>	<b>\$5,272.0</b>	<b>\$4,972.2</b>	<b>21.1%</b>	<b>5.8x</b>	<b>5.7x</b>	<b>80.7%</b>
<b>Service Focused</b>													
Archer Limited	ARCHER	\$0.86	\$0.85	\$3.33	\$316.3	\$1,404.1	\$2,076.1	\$311.4	\$244.1	15.0%	4.5x	5.8x	25.9%
Basic Energy Services, Inc.	BAS	11.66	8.52	22.50	467.2	1,163.4	1,427.2	353.5	319.7	24.8	3.3	3.6	51.8
Calfrac Well Services Ltd.	CFW	23.67	20.37	35.59	1,058.6	1,409.1	1,743.9	369.7	282.8	21.2	3.8	5.0	66.5
C&J Energy Services, Inc.	CJES	20.98	16.05	23.32	1,108.8	1,298.9	1,045.3	351.3	339.8	33.6	3.7	3.8	90.0
Core Laboratories NV	CLB	106.64	94.72	143.21	4,975.6	5,167.9	970.4	313.7	317.3	32.3	16.5	16.3	74.5
Key Energy Services Inc.	KEG	7.01	5.70	18.18	1,059.3	1,956.8	2,093.0	455.5	419.8	21.8	4.3	4.7	38.6
Natural Gas Services Group Inc.	NGS	16.42	11.37	17.00	202.5	172.5	88.8	34.6	35.0	39.0	5.0	4.9	96.6
Newpark Resources Inc.	NR	7.70	5.19	10.62	669.0	835.1	1,031.2	146.9	141.0	14.2	5.7	5.9	72.5
Oil States International Inc.	OIS	70.20	60.03	87.65	3,853.6	4,878.1	4,266.6	899.2	912.9	21.1	5.4	5.3	80.1
RPC Inc.	RES	11.82	8.75	14.64	2,597.1	2,669.7	1,957.9	689.7	656.3	35.2	3.9	4.1	80.7
Superior Energy Services, Inc.	SPN	20.64	17.54	31.88	3,254.8	5,111.5	4,058.1	1,144.3	1,248.8	28.2	4.5	4.1	64.7
TETRA Technologies, Inc.	TTI	7.02	5.35	10.66	548.1	937.7	835.9	67.3	162.7	8.0	13.9	5.8	65.9
Trican Well Service Ltd.	TCW	12.65	10.38	19.59	1,853.3	2,433.6	2,458.6	410.6	279.7	16.7	5.9	8.7	64.6
				<b>Average<sup>2</sup></b>	<b>\$1,526.0</b>	<b>\$2,190.7</b>	<b>\$1,790.7</b>	<b>\$397.2</b>	<b>\$370.5</b>	<b>24.0%</b>	<b>5.5x</b>	<b>5.3x</b>	<b>68.2%</b>
				<b>Median</b>	<b>\$1,059.3</b>	<b>\$1,409.1</b>	<b>\$1,743.9</b>	<b>\$353.5</b>	<b>\$317.3</b>	<b>21.8%</b>	<b>4.5x</b>	<b>5.0x</b>	<b>66.5%</b>

#### Enterprise Value

Market Capitalization + Total Debt + Preferred Equity + Minority Interest – Cash and Short Term Investments

#### EBITDA

Earnings Before Interest, Taxes, Depreciation, and Amortization

#### LTM

Last Twelve Months

- (1) \$ Millions, except for per share data  
(2) Excludes the highest and lowest values.  
(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

# Appendix

## Selected Public Company Trading Statistics

### OILFIELD SERVICE (OFS)<sup>(1) (3)</sup>

Company	Ticker	Price as of 12/05/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
<b>Equipment Focused</b>													
Cameron International Corporation	CAM	\$54.76	\$38.38	\$60.00	\$13,510.1	\$14,203.1	\$8,107.1	\$1,258.6	\$1,334.2	15.5%	11.3x	10.6x	91.3%
CARBO Ceramics Inc.	CRR	78.70	60.33	142.75	1,817.5	1,765.4	650.0	221.8	206.1	34.1	8.0	8.6	55.1
Compressco Partners, L.P.	GSJK	16.09	11.25	20.16	250.0	248.6	102.5	31.5	33.4	30.8	7.9	7.4	79.8
Dover Corporation	DOV	63.50	50.27	67.20	11,367.2	12,768.4	8,433.1	1,653.9	1,665.0	19.6	7.7	7.7	94.5
Dresser-Rand Group Inc.	DRC	52.65	41.01	56.52	3,984.0	4,931.4	2,630.0	421.7	428.8	16.0	11.7	11.5	93.2
Dril-Quip, Inc.	DRQ	70.42	57.27	77.12	2,847.5	2,584.0	716.2	187.1	187.7	26.1	13.8	13.8	91.3
Exterran Holdings, Inc.	EXH	21.27	8.33	21.75	1,335.7	3,259.2	2,707.3	424.4	445.0	15.7	7.7	7.3	97.8
Exterran Partners, L.P.	EXLP	21.84	18.30	25.00	923.1	1,612.0	368.5	141.5	178.0	38.4	11.4	9.1	87.4
Flotek Industries Inc.	FTK	11.64	8.46	14.73	573.2	607.2	311.0	73.6	65.3	23.7	8.3	9.3	79.0
FMC Technologies, Inc.	FTI	41.45	36.89	55.19	9,853.9	10,832.5	5,811.0	712.3	774.6	12.3	15.2	14.0	75.1
Forbes Energy Services Ltd.	FES	2.49	1.66	7.00	52.7	358.0	490.1	106.4	86.9	21.7	3.4	4.1	35.6
Forum Energy Technologies, Inc.	FET	24.53	18.60	25.82	2,124.8	2,426.2	1,421.5	306.5	307.6	21.6	7.9	7.9	95.0
General Electric Company	GE	21.23	16.25	23.18	222,624.1	574,102.1	142,311.0	24,356.0	27,155.0	17.1	23.6	21.1	91.6
Global Geophysical Services, Inc.	GGs	3.98	3.77	11.76	149.5	459.3	396.8	215.1	218.5	54.2	2.1	2.1	33.8
Heckmann Corporation	HEK	3.78	2.60	7.05	951.5	1,209.3	290.4	40.9	64.8	14.1	29.6	18.7	53.6
Lufkin Industries Inc.	LUFK	56.90	45.11	85.68	1,913.0	2,195.3	1,204.8	186.7	200.0	15.5	11.8	11.0	66.4
National Oilwell Varco, Inc.	NOV	68.61	59.07	89.95	29,290.0	29,226.0	18,615.0	4,106.0	4,280.9	22.1	7.1	6.8	76.3
RigNet, Inc.	RNET	19.18	14.91	19.75	300.7	310.6	142.2	38.3	43.2	27.0	8.1	7.2	97.1
Tenaris SA	TEN	19.63	15.08	22.33	23,177.1	23,622.5	10,826.5	2,847.9	2,881.0	26.3	8.3	8.2	87.9
Tesco Corporation	TESO	10.74	8.70	16.88	416.1	373.2	578.6	106.6	103.6	18.4	3.5	3.6	63.6
The Weir Group PLC	WEIR	30.28	21.77	36.11	6,430.5	7,755.2	4,056.3	793.5	858.1	19.6	9.8	9.0	83.9
			<b>Average<sup>2</sup></b>		<b>\$5,853.4</b>	<b>\$6,342.0</b>	<b>\$3,566.1</b>	<b>\$728.6</b>	<b>\$754.2</b>	<b>22.3%</b>	<b>9.8x</b>	<b>9.3x</b>	<b>78.8%</b>
			<b>Median</b>		<b>\$1,913.0</b>	<b>\$2,426.2</b>	<b>\$1,204.8</b>	<b>\$221.8</b>	<b>\$218.5</b>	<b>21.6%</b>	<b>8.3x</b>	<b>8.6x</b>	<b>83.9%</b>

- (1) \$ Millions, except for per share data  
(2) Excludes the highest and lowest values.  
(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

# Appendix

## Selected Public Company Trading Statistics

E&P<sup>(1)</sup> (3)

	Ticker	Price as of 12/05/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
<b>Integrated Majors</b>													
BP plc	BP.	\$6.85	\$5.79	\$8.92	\$130,368.6	\$164,240.6	\$371,813.0	\$37,484.0	\$39,530.0	10.1%	4.4x	4.2x	76.8%
Chevron Corporation	CVX	105.17	95.73	118.53	205,836.7	197,871.7	224,771.0	48,514.0	58,133.0	21.6	4.1	3.4	88.7
ConocoPhillips	COP	57.18	50.62	78.29	69,410.5	93,499.5	229,571.0	29,658.0	23,889.3	12.9	3.2	3.9	73.0
Exxon Mobil Corporation	XOM	87.73	77.13	93.67	399,991.2	405,002.2	426,250.0	64,877.0	87,024.8	15.2	6.2	4.7	93.7
Royal Dutch Shell plc	RDSA	33.57	31.50	45.30	213,551.4	232,468.4	464,681.0	51,883.0	62,234.6	11.2	4.5	3.7	74.1
Total SA	FP	50.42	43.68	56.17	113,813.2	136,890.3	230,897.1	41,991.9	43,476.2	18.2	3.3	3.1	89.8
				<b>Average<sup>2</sup></b>	<b>\$165,892.5</b>	<b>\$182,867.7</b>	<b>\$314,632.8</b>	<b>\$44,968.2</b>	<b>\$50,843.5</b>	<b>14.4%</b>	<b>4.1x</b>	<b>3.8x</b>	<b>82.4%</b>
				<b>Median</b>	<b>\$168,102.7</b>	<b>\$181,056.2</b>	<b>\$301,355.0</b>	<b>\$45,253.0</b>	<b>\$50,804.6</b>	<b>14.1%</b>	<b>4.2x</b>	<b>3.8x</b>	<b>82.8%</b>
<b>Large Independents</b>													
Anadarko Petroleum Corporation	APC	\$74.74	\$56.42	\$88.70	\$37,352.0	\$49,999.0	\$13,412.0	\$7,383.0	\$8,854.8	55.0%	6.8x	5.6x	84.3%
Apache Corp.	APA	77.73	74.50	112.09	30,414.5	42,957.5	16,765.0	12,454.0	12,344.5	74.3	3.4	3.5	69.3
Chesapeake Energy Corporation	CHK	16.97	13.32	26.09	10,938.3	32,680.3	11,505.0	4,148.0	3,604.0	36.1	7.9	9.1	65.0
Devon Energy Corporation	DVN	52.62	51.49	76.34	21,311.1	25,016.1	9,096.0	5,151.0	5,032.8	56.6	4.9	5.0	68.9
Encana Corporation	ECA	21.69	17.38	24.04	15,953.6	21,673.6	6,016.0	2,920.0	3,812.2	48.5	7.4	5.7	90.2
EOG Resources, Inc.	EOG	118.72	82.48	124.49	32,159.0	37,362.6	10,672.9	5,530.3	6,190.6	51.8	6.8	6.0	95.4
Marathon Oil Corporation	MRO	30.47	23.17	35.49	21,524.5	27,258.5	15,266.0	8,104.0	8,956.7	53.1	3.4	3.0	85.9
SandRidge Energy, Inc.	SD	6.45	4.81	9.04	2,570.8	7,749.4	1,766.7	776.8	1,072.0	44.0	10.0	7.2	71.3
				<b>Average<sup>2</sup></b>	<b>\$22,050.2</b>	<b>\$31,158.1</b>	<b>\$10,994.7</b>	<b>\$5,539.4</b>	<b>\$6,075.2</b>	<b>51.5%</b>	<b>6.2x</b>	<b>5.5x</b>	<b>78.3%</b>
				<b>Median</b>	<b>\$21,417.8</b>	<b>\$29,969.4</b>	<b>\$11,089.0</b>	<b>\$5,340.6</b>	<b>\$5,611.7</b>	<b>52.5%</b>	<b>6.8x</b>	<b>5.7x</b>	<b>77.8%</b>

- (1) \$ Millions, except for per share data  
(2) Excludes the highest and lowest values.  
(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ



# Appendix

## Selected Public Company Trading Statistics

**DRILLERS<sup>(1) (3)</sup>**

Company	Ticker	Price as of 12/05/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
<b>Land</b>													
Helmerich & Payne Inc.	HP	\$54.98	\$38.71	\$68.60	\$5,812.9	\$5,951.8	\$3,151.8	\$1,277.9	\$1,249.6	40.5%	4.7x	4.8x	80.1%
Nabors Industries Ltd.	NBR	14.67	12.40	22.73	4,259.9	8,401.1	7,128.6	2,076.8	2,003.0	29.1	4.0	4.2	64.5
Patterson-UTI Energy Inc.	PTEN	17.95	12.81	22.14	2,656.1	3,172.7	2,795.3	1,028.8	967.5	36.8	3.1	3.3	81.1
Pioneer Energy Services Corp.	PES	7.36	5.91	11.84	452.6	945.1	895.2	243.2	239.0	27.2	3.9	4.0	62.2
Precision Drilling Corporation	PD	7.54	6.02	12.82	2,082.7	3,077.1	2,126.0	616.3	670.2	29.0	5.0	4.6	58.8
Unit Corporation	UNT	45.05	32.08	51.89	2,187.9	2,832.0	1,325.7	661.5	640.4	49.9	4.3	4.4	86.8
				<b>Average<sup>2</sup></b>	<b>\$2,796.6</b>	<b>\$3,758.40</b>	<b>\$2,349.7</b>	<b>\$896.1</b>	<b>\$881.9</b>	<b>33.9%</b>	<b>4.2x</b>	<b>4.3x</b>	<b>72.0%</b>
				<b>Median</b>	<b>\$2,422.0</b>	<b>\$3,124.9</b>	<b>\$2,460.7</b>	<b>\$845.2</b>	<b>\$818.9</b>	<b>33.0%</b>	<b>4.2x</b>	<b>4.3x</b>	<b>72.3%</b>
<b>Offshore</b>													
Atwood Oceanics, Inc.	ATW	\$46.91	\$34.93	\$50.18	\$3,070.9	\$3,831.3	\$787.4	\$390.0	\$373.2	49.5%	9.8x	10.3x	93.5%
Diamond Offshore Drilling, Inc.	DO	68.90	52.98	73.50	9,579.2	9,583.0	2,929.7	1,301.2	1,298.8	44.4	7.4	7.4	93.7
EnSCO plc	ESV	58.96	41.63	61.48	13,695.6	18,413.0	4,223.4	1,956.1	2,059.9	46.3	9.4	8.9	95.9
Hercules Offshore, Inc.	HERO	5.26	2.91	5.57	834.2	1,444.9	669.9	131.4	145.3	19.6	11.0	9.9	94.4
Noble Corp.	NE	35.76	28.73	41.71	9,037.3	14,216.5	3,222.3	1,323.7	1,581.3	41.1	10.7	9.0	85.7
Ocean Rig UDW Inc.	ORIG	15.75	11.70	18.43	2,074.7	4,572.2	949.8	401.6	335.8	42.3	11.4	13.6	85.5
Parker Drilling Co.	PKD	4.37	3.61	7.62	516.8	874.6	701.9	264.1	252.2	37.6	3.3	3.5	57.3
Rowan Companies plc	RDC	32.46	28.62	39.40	4,031.3	5,096.2	1,313.5	476.4	551.3	36.3	10.7	9.2	82.4
SeaDrill Limited	SDRL	36.85	31.37	42.34	17,255.5	28,609.5	4,208.0	2,391.0	2,444.4	56.8	12.0	11.7	87.0
Transocean Ltd.	RIG	46.64	38.21	59.03	16,763.6	24,872.6	10,088.0	2,988.0	3,540.3	29.6	8.3	7.0	79.0
Vantage Drilling Company	VTG	1.75	1.01	1.95	514.7	2,581.8	409.8	201.8	213.4	49.3	12.8	12.1	89.7
				<b>Average<sup>2</sup></b>	<b>\$6,622.6</b>	<b>\$9,401.3</b>	<b>\$2,111.8</b>	<b>\$967.3</b>	<b>\$1,012.3</b>	<b>41.8%</b>	<b>10.1x</b>	<b>9.5x</b>	<b>87.9%</b>
				<b>Median</b>	<b>\$4,031.3</b>	<b>\$5,096.2</b>	<b>\$1,313.5</b>	<b>\$476.4</b>	<b>\$551.3</b>	<b>42.3%</b>	<b>10.7x</b>	<b>9.2x</b>	<b>87.0%</b>

- (1) \$ Millions, except for per share data  
(2) Excludes the highest and lowest values.  
(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

# Appendix

## Selected Public Company Trading Statistics

OTHERS<sup>(1) (3)</sup>

	Ticker	Price as of 12/05/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
<b>Offshore Transportation</b>													
Bristow Group, Inc.	BRS	\$52.25	\$37.92	\$52.98	\$1,880.0	\$2,276.0	\$1,262.0	\$249.7	\$265.1	19.8%	9.1x	8.6x	98.6%
Gulfmark Offshore, Inc.	GLF	32.04	27.17	56.41	853.1	1,095.1	394.1	131.2	114.8	33.3	8.3	9.5	56.8
Hornbeck Offshore Services, Inc.	HOS	36.85	30.56	43.83	1,304.8	1,754.3	502.3	209.9	207.8	41.8	8.4	8.4	84.1
PHI Inc.	PHI	31.99	19.09	33.14	489.8	785.1	607.9	92.6	-	15.2	8.5	NA	96.5
Seacor Holdings Inc.	CKH	88.54	79.78	100.00	1,846.3	2,658.2	2,103.9	266.7	260.9	12.7	10.0	10.2	88.5
Tidewater Inc.	TDW	44.68	42.33	63.27	2,268.0	3,021.3	1,167.9	327.7	266.5	28.1	9.2	11.3	70.6
				<b>Average<sup>2</sup></b>	<b>\$1,471.0</b>	<b>\$1,945.9</b>	<b>\$885.0</b>	<b>\$214.4</b>	<b>\$212.1</b>	<b>24.1%</b>	<b>8.8x</b>	<b>9.4x</b>	<b>84.9%</b>
				<b>Median</b>	<b>\$1,575.6</b>	<b>\$2,015.1</b>	<b>\$887.9</b>	<b>\$229.8</b>	<b>\$234.3</b>	<b>23.9%</b>	<b>8.8x</b>	<b>9.5x</b>	<b>86.3%</b>
<b>Construction</b>													
Cal Dive International, Inc.	DVR	\$1.56	\$1.00	\$4.00	\$151.6	\$287.2	\$445.9	(\$0.3)	\$8.3	NM	NM	34.7x	39.0%
Chicago Bridge & Iron Company N.V.	CBI	40.85	32.48	47.74	3,954.0	3,362.6	5,203.0	493.6	510.2	9.5	6.8	6.6	85.6
ENGlobal Corp.	ENG	0.50	0.32	2.75	13.5	42.3	325.6	(5.9)	-	NM	NM	NA	18.2
Fluor Corporation	FLR	53.50	44.99	64.67	8,908.2	7,018.9	26,806.5	1,248.0	1,286.3	4.7	5.6	5.5	82.7
Foster Wheeler AG	FWLT	23.23	15.26	26.08	2,463.2	1,953.0	3,808.1	263.4	301.0	6.9	7.4	6.5	89.1
Gulf Island Fabrication Inc.	GIFI	23.40	19.89	35.48	337.2	310.9	480.5	31.8	41.9	6.6	9.8	7.4	66.0
Helix Energy Solutions Group, Inc.	HLX	18.13	14.61	21.09	1,909.8	2,527.0	1,487.7	664.0	623.0	44.6	3.8	4.1	86.0
Jacobs Engineering Group Inc.	JEC	41.31	33.61	48.17	5,373.5	4,914.6	10,893.8	702.7	690.9	6.5	7.0	7.1	85.8
KBR, Inc.	KBR	28.07	22.09	38.00	4,141.8	3,367.8	7,988.0	445.0	632.2	5.6	7.6	5.3	73.9
McDermott International Inc.	MDR	10.58	9.04	15.35	2,495.2	2,002.0	3,461.8	382.8	416.6	11.1	5.2	4.8	68.9
Oceaneering International, Inc.	OII	53.20	43.13	58.53	5,740.7	5,757.1	2,575.9	557.9	595.3	21.7	10.3	9.7	90.9
The Shaw Group Inc.	SHAW	45.02	21.65	45.20	3,000.0	2,353.7	6,008.4	249.5	283.4	4.2	9.4	8.3	99.6
Willbros Group Inc.	WG	5.11	3.13	7.36	250.9	494.8	1,911.7	43.1	65.0	2.3	11.5	7.6	69.4
				<b>Average<sup>2</sup></b>	<b>\$2,710.7</b>	<b>\$2,484.6</b>	<b>\$4,024.1</b>	<b>\$348.5</b>	<b>\$378.9</b>	<b>8.5%</b>	<b>7.7x</b>	<b>6.9x</b>	<b>76.1%</b>
				<b>Median</b>	<b>\$2,495.2</b>	<b>\$2,353.7</b>	<b>\$3,461.8</b>	<b>\$382.8</b>	<b>\$416.6</b>	<b>6.6%</b>	<b>7.4x</b>	<b>6.9x</b>	<b>82.7%</b>

- (1) \$ Millions, except for per share data  
(2) Excludes the highest and lowest values.  
(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

# Appendix

## Selected Public Company Trading Statistics

OTHERS<sup>(1) (3)</sup>

	Ticker	Price as of 12/05/12	52-Week		Market Cap	Enterprise Value	LTM Revenue	EBITDA		LTM EBITDA Margin	EV/EBITDA		% of 52-Week High
			Low	High				LTM	2012E		LTM	2012E	
<b>Industrial Services</b>													
Chart Industries Inc.	GTLS	\$59.76	\$53.31	\$79.29	\$1,793.7	\$1,968.8	\$929.9	\$145.3	\$156.0	15.6%	13.6x	12.6x	75.4%
CIRCOR International, Inc.	CIR	35.78	27.85	42.79	623.6	658.3	861.1	85.2	85.9	9.9	7.7	7.7	83.6
Edgen Group Inc.	EDG	7.22	6.31	10.44	306.1	895.5	1,171.8	74.6	148.9	6.4	12.0	6.0	69.2
Matrix Service Co.	MTRX	10.94	8.06	15.06	283.5	269.6	779.3	44.4	45.6	5.7	6.1	5.9	72.6
MRC Global Inc.	MRC	27.38	19.04	28.55	2,779.0	4,010.1	5,570.5	420.2	472.9	7.5	9.5	8.5	95.9
Team Inc.	TISI	37.49	24.95	37.85	750.7	820.2	644.1	75.2	73.4	11.7	10.9	11.2	99.0
				<b>Average<sup>2</sup></b>	<b>\$868.5</b>	<b>\$1,085.7</b>	<b>\$935.5</b>	<b>\$95.0</b>	<b>\$116.0</b>	<b>8.9%</b>	<b>10.0x</b>	<b>8.3x</b>	<b>81.9%</b>
				<b>Median</b>	<b>\$687.1</b>	<b>\$857.8</b>	<b>\$895.5</b>	<b>\$80.2</b>	<b>\$117.4</b>	<b>8.7%</b>	<b>10.2x</b>	<b>8.1x</b>	<b>79.5%</b>
<b>Seismic Related</b>													
Bolt Technology Corp.	BOLT	\$14.14	\$11.12	\$16.09	\$120.1	\$93.8	\$57.3	\$12.6	\$0.0	22.0%	7.4x	NA	87.9%
Compagnie Générale de Géophysique-Veritas SA	GA	30.06	20.04	34.97	4,544.7	6,298.7	3,108.9	890.0	1,131.6	28.6	7.1	5.6	86.0
Dawson Geophysical Co.	DWSN	23.53	20.20	40.76	184.2	143.2	319.3	48.7	51.7	15.3	2.9	2.8	57.7
Geokinetics Inc.	GOK	0.30	0.13	3.26	5.6	478.8	664.5	92.5	103.0	13.9	5.2	4.6	9.0
ION Geophysical Corporation	IO	5.88	5.29	8.79	917.3	1,003.9	513.1	189.9	201.9	37.0	5.3	5.0	66.9
Mitcham Industries Inc.	MIND	12.44	11.51	26.76	159.7	149.3	113.3	26.9	59.6	23.7	5.6	2.5	46.5
Petroleum Geo Services ASA	PGS	16.60	9.40	18.59	3,599.4	4,061.8	1,502.8	758.4	827.6	50.5	5.4	4.9	89.3
TGC Industries Inc.	TGE	7.51	5.26	11.85	155.1	158.6	178.8	49.8	52.0	27.8	3.2	3.1	63.4
				<b>Average<sup>2</sup></b>	<b>\$856.0</b>	<b>\$999.3</b>	<b>\$548.6</b>	<b>\$194.4</b>	<b>\$216.0</b>	<b>25.7%</b>	<b>5.3x</b>	<b>4.1x</b>	<b>68.1%</b>
				<b>Median</b>	<b>\$172.0</b>	<b>\$318.7</b>	<b>\$416.2</b>	<b>\$71.1</b>	<b>\$81.3</b>	<b>25.8%</b>	<b>5.3x</b>	<b>4.6x</b>	<b>65.1%</b>

- (1) \$ Millions, except for per share data  
(2) Excludes the highest and lowest values.  
(3) EBITDA does not reflect adjustments for extraordinary items.

Source: Capital IQ

# Appendix

## Relevant M&A Transactions

Date	Target	Description	Seller	Buyer	Transaction Value (\$ in millions)
11/27/12	Ameriforge Group Inc.	Ameriforge Group Inc. manufactures forged components, sub-systems, and fully-integrated systems for industrial use.	Tanglewood Investments Inc.	First Reserve Corporation	NA
11/26/12	The Wellmark Co.	Wellmark LLC produces liquid and pneumatic controls and valves for the oil and gas industry.	NA	Platte River Equity	NA
11/26/12	Cimarron Energy, Inc.	Cimarron Energy, Inc. manufactures oil and gas production units, separator packages, and flowback equipment.	Bridge Industries, LLC; Linx Partners, LLC	Curtiss-Wright Corp.	\$135.1
11/21/12	Tervita Corporation, Drilling Fluids Business Assets	Tervita Corporation provides water, oil, and synthetic based drilling fluid products and systems to oil and gas companies.	Tervita Corporation	Canadian Energy Services & Technology	NA
11/19/12	North American Fleet Company Ltd.	North American Fleet Company Ltd. provides constructing and repairing of pipelines and facilities in the oil and gas industry.	North American Energy Partners Inc.	Macro Enterprises Inc.	NA
11/13/12	PGI International, Ltd.	PGI International, Ltd. sells instrument valves and manifolds, power supplies, systems and related oilfield components.	The Edgewater Funds	Parker-Hannifin Corporation	NA
11/12/12	Treat-Em-Rite Pressure Pumping Services	Treat-Em-Rite Pressure Pumping Service is a cementing services business located in Pearsall, Texas and serving the South Texas oil and gas industry.	Brenntag AG	Allied Oil & Gas Services; Intervale Capital	NA
11/5/12	SeaDrill Limited, Tender Rigs Business	SeaDrill Limited, Tender Rigs Business comprises 16 tender oil and gas rigs in operation.	SeaDrill Limited	SapuraKencana Petroleum Berhad	\$2,537.0
10/30/12	Neptune Marine Services Ltd.	Neptune Marine Services Ltd provides engineering solutions to the oil and gas and marine industries internationally.	NA	MTQ Corporation Ltd.	\$51.7
10/29/12	Safety-Kleen, Inc.	Safety-Kleen, Inc. provides environmental services to commercial and industrial customers in North America.	Contrarian Capital Management; Highland Capital Management	Clean Harbors, Inc.	\$1,527.1
10/26/12	Wireline Solutions, LLC	Wireline Solutions, LLC manufactures and distributes completion tools for the oil and gas industry.	NA	Forum Energy Technologies, Inc.	NA
10/24/12	Fineglade Limited	Fineglade Limited owns 96% of Scootherm SpA, a provider of pipe coating and insulation services to oil and gas and industrial customers worldwide.	Sophia Capital Partners	ShawCor Limited.	\$135.9

Dates in red are publicly-announced transactions that have not closed.

# Selected Duff & Phelps Transactions

## Majority Recapitalization

Shores-Sentry, LLC has completed a recapitalization with White Deer Energy.



Duff & Phelps acted as exclusive advisor to Shores-Sentry, LLC

## Minority Recapitalization

Pinnergy, Ltd. has completed a minority recapitalization led by The Stephens Group, LLC.



Duff & Phelps acted as exclusive advisor to Pinnergy, Ltd.

## Sell Side Advisory

Tube Supply, Inc. has been acquired by A.M. Castle (NYSE:CAS) for \$165 million.



Duff & Phelps acted as exclusive advisor to Tube Supply, Inc.

## Majority Recapitalization

O-Tex Pumping, LLC has raised \$52 million from White Deer Energy.



Duff & Phelps acted as exclusive advisor to O-Tex Pumping, LLC

## Contacts

**James D. Rebello**

Managing Director  
+1 713 986 9318  
James.Rebello@duffandphelps.com

**Su-Min Lim**

Managing Director  
+1 713 986 9322  
Slim@duffandphelps.com

**John J. Bresnahan, III**

Managing Director  
+1 713 986 9324  
John.Bresnahan@duffandphelps.com

**John E. Grimes**

Managing Director  
+1 214 220 7262  
John.Grimes@duffandphelps.com

**John T. McNabb, II**

Vice Chairman  
+1 713 986 9321  
John.Mcnabb@duffandphelps.com

**David W. Sargent**

Managing Director  
+1 713 986 9317  
David.Sargent@duffandphelps.com

## Energy Consultant

**Jed DiPaolo**

Senior Advisor

For more information about our global locations and expertise visit:

[www.duffandphelps.com](http://www.duffandphelps.com)

### About Duff & Phelps

As a leading global financial advisory and investment banking firm, Duff & Phelps balances analytical skills, deep market insight and independence to help clients make sound decisions. The firm provides expertise in the areas of valuation, transactions, financial restructuring, alternative assets, disputes and taxation, with more than 1,250 employees serving clients from offices in North America, Europe and Asia. Investment banking services in the United States are provided by Duff & Phelps Securities, LLC; Pagemill Partners; and GCP Securities, LLC.

Member FINRA/SIPC. M&A advisory services in the United Kingdom and Germany are provided by Duff & Phelps Securities Ltd. Duff & Phelps Securities Ltd. is authorized and regulated by the Financial Services Authority. For more information, visit [www.duffandphelps.com](http://www.duffandphelps.com). (NYSE: DUF)

Duff & Phelps Securities, LLC  
712 Main Street  
Suite 2500  
Houston, TX 77002  
T +1 713 986 9317