



Superior Energy Services Announces Record Fourth Quarter, Year 2000 Results

February 20, 2001

HARVEY, La.--(BUSINESS WIRE)--Feb. 20, 2001--Superior Energy Services, Inc. (NASDAQ:SESI) today announced results for the fourth quarter ended December 31, 2000. For the period, revenues were a record \$81.4 million resulting in record net income from operations of \$8.5 million or \$0.12 diluted earnings per share, as compared to revenue of \$44.1 million and net income from operations of \$1.8 million or \$0.03 diluted earnings per share for the fourth quarter of 1999.

For the year ended December 31, 2000, the Company posted record revenues of \$257.5 million and record net income from operations of \$19.9 million or \$0.30 diluted earnings per share, as compared to revenues of \$113.1 million and a net loss from operations of \$2.0 million or \$0.11 diluted loss per share for the same period a year ago.

In the fourth quarter, the Company secured a new, \$190 million credit facility that provides lower interest rates. Consequently, the Company took a non-cash charge of \$1.6 million, or approximately \$0.02 per share for the write-off of the unamortized amount of loan issuance costs related to the prior credit facility. As a result, after the extraordinary loss, the Company reported net income of \$6.9 million or \$0.10 diluted earnings per share for the fourth quarter of 2000 and \$18.3 million or \$0.28 diluted earnings per share for the year.

"We had an excellent quarter - and year - despite the seasonal slowdown typically associated with the fourth quarter," said Terry Hall, Chairman, President and CEO of Superior Energy Services. "During the quarter, we experienced improved demand and stronger pricing for many of our production-related services, including coiled tubing, electric line, mechanical wireline and liftboats. Higher demand has helped broaden our Gulf of Mexico customer base in many service areas, creating additional opportunities to market our full suite of services."

2000 in Review

"The year 2000 was one of recovery for the industry, and for Superior it was one of increasing exposure to the production side of the industry, or what we refer to as exposure to the well," Hall said. "We centralized the operations and management of our well intervention, marine and wireline services into our expanded Harvey, La., campus, and are developing a similar facility in Broussard, La. We believe centralized operations are integral to successfully bundling multiple well intervention services. Today, we have 47 facilities, employ more than 2,500 people and operate in more than five countries. Finally, in 2000 our safety statistics were outstanding, with a total recordable incident rate of just 1.52 in more than 6.3 million man hours worked."

2001 Outlook

"We are extremely encouraged by market activity heading into 2001," Hall said. "We believe the fundamentals are such that well permitting activity - permits filed for most well remediation work in the Gulf of Mexico - should increase and liftboat spot rates across most, if not all fleets should be at their highest levels in more than four years. The market outlook coupled with our ever-increasing exposure to the well should yield significant revenue and earnings growth in 2001."

The Company will host a conference call at 10:30 a.m. Central Time today. The call can be accessed from Superior's website at www.superiorenergy.com, or by telephone at 800/289-0495. The replay telephone number is 888/203-1112 and the passcode for the replay call is 659924.

Superior Energy Services, Inc. provides a broad range of specialized oilfield services and equipment primarily to major and independent oil and gas companies engaged in the exploration, production and development of oil and natural gas properties offshore in the Gulf of Mexico and throughout the Gulf Coast region. These services and equipment include the rental of liftboats, rental of specialized oilfield equipment, electric and mechanical wireline services, well plug and abandonment services, coiled tubing services and engineering services. Additional services provided include contract operating and supplemental labor, offshore construction and maintenance services, offshore and dockside environmental cleaning services, the manufacture and sale of drilling instrumentation and the manufacture and sale of oil spill containment equipment.

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 which involve known and unknown risks, uncertainties and other factors. Among the factors that could cause actual results to differ materially are: volatility of the oil and gas industry, including the level of exploration, production and development activity; risks associated with the Company's rapid growth; changes in competitive factors and other material factors that are described from time to time in the Company's filings with the Securities and Exchange Commission. Actual events, circumstances, effects and results may be materially different from the results, performance or achievements expressed or implied by the forward-looking statements. Consequently, the forward-looking statements contained herein should not be regarded as representations by Superior or any other person that the projected outcomes can or will be achieved.

SUPERIOR ENERGY SERVICES, INC. AND SUBSIDIARIES
Consolidated Statements of Operations
Three and Twelve Months Ended December 31, 2000 and 1999
(in thousands, except earnings per share amounts)

Three Months Ended December 31,		Twelve Months Ended December 31,	
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2000	1999	2000	1999
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Revenues	\$ 81,385	\$ 44,102	\$ 257,502	\$ 113,076
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Costs and expenses:				
Cost of services	45,705	24,737	147,601	67,364
Depreciation				
and amortization	6,281	4,399	22,255	12,625
General				
and administrative	13,461	9,144	44,287	23,071
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Total costs				
and expenses	65,447	38,280	214,143	103,060
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Income from operations	15,938	5,822	43,359	10,016
Other income (expense):				
Interest expense	(2,945)	(2,994)	(12,078)	(12,969)
Interest income	503	168	1,898	308
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Income (loss) before				
income taxes and				
extraordinary loss	13,496	2,996	33,179	(2,645)
Income taxes	5,031	1,194	13,298	(611)
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Income (loss) before				
extraordinary loss	8,465	1,802	19,881	(2,034)
Extraordinary loss, net				
of income tax benefit	(1,557)	--	(1,557)	(4,514)
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Net income (loss)	\$ 6,908	\$ 1,802	\$ 18,324	\$ (6,548)
	=====	=====	=====	=====
Basic and Diluted earnings				
(loss) per share:				
Earnings (loss) before				
extraordinary loss	\$ 0.12	\$ 0.03	\$ 0.30	\$ (0.11)
Extraordinary loss	(0.02)	--	(0.02)	(0.14)
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Earnings (loss)				
per share	\$ 0.10	\$ 0.03	\$ 0.28	\$ (0.25)
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Weighted average common				
shares used in computing				
earnings (loss) per share:				
Basic	67,787	59,598	64,991	31,131
	=====	=====	=====	=====
Diluted	68,743	60,024	65,921	31,131
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Condensed Consolidated Balance Sheets
December 31, 2000 and December 31, 1999
(in thousands)

12/31/00 12/31/99

ASSETS

Current assets	\$ 88,770	\$ 56,122
Property, plant and equipment - net	202,498	134,723
Goodwill - net	114,650	78,641
Notes receivable	19,213	8,898
Other assets - net	5,545	3,871
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Total assets	\$ 430,676	\$ 282,255
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities	\$ 53,732	\$ 30,917
Long-term debt, less current portion	146,393	117,459
Deferred income taxes	24,304	12,392
Stockholders' equity	206,247	121,487
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Total liabilities and stockholders' equity	\$ 430,676	\$ 282,255
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Superior Energy Services, Inc.
Revenue and Gross Profit by Segment
(Unaudited)
(\$ in thousands)

Three Months Ended December 31, 2000

	Revenue	Gross Profit	GP %
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Well Service	\$18,876	\$7,927	42.0%
Wireline	8,884	2,760	31.1%
Marine	11,269	5,759	51.1%
Rental Tools	25,526	16,122	63.2%
Environmental	4,246	1,347	31.7%
Field Management and Construction	11,688	1,260	10.8%
Other	896	505	56.4%
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Total	\$81,385	\$35,680	43.8%
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Twelve Months Ended December 31, 2000

	Revenue	Gross Profit	GP %
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Well Service	\$56,515	\$21,962	38.9%
Wireline	33,516	10,609	31.7%
Marine	34,390	15,461	45.0%
Rental Tools	75,814	49,974	65.9%
Environmental	16,738	5,982	35.7%
Field Management	36,493	3,789	10.4%
Other	4,036	2,124	52.6%
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Total	\$257,502	\$109,901	42.7%
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