



## Superior Energy Services Announces Record First Quarter Results

May 3, 2001

HARVEY, La.--(BUSINESS WIRE)--May 3, 2001--Superior Energy Services, Inc. (NASDAQ:SESI) today announced results for the first quarter ended March 31, 2001. For the period, revenues were a record \$91.3 million resulting in record net income from operations of \$10.9 million or \$0.16 diluted earnings per share, as compared to revenue of \$47.3 million and net income from operations of \$1.6 million or \$0.03 diluted earnings per share for the first quarter of 2000.

Effective January 1, 2001, the Company elected to change the method used for depreciating its liftboats from the straight-line method to the units of production method. Management of the Company believes this method provides a more accurate allocation of cost and provides for a better matching of revenue and expenses. This method is used by many other service providers who operate marine equipment in the Gulf of Mexico. This change in accounting principle results in a one time cumulative positive net after tax adjustment of \$2.6 million. As a result, net income for the first quarter was \$13.5 million, or \$0.20 diluted earnings per share.

"We experienced a record quarter as activity levels across all segments increased," said Terry Hall, Chairman, President and Chief Executive Officer. "In particular, operating margins in our Well Intervention Group and our Wireline, Environmental and Field Management divisions improved over the fourth quarter of 2000. The Gulf of Mexico remains the most accessible region in North America for oil and gas production. This should translate into increasing activity for Superior as producers seek our products and services for their production-related projects."

The Company will host a conference call at 2:30 p.m. Central Time today. The call can be accessed from Superior's website at [www.superiorenergy.com](http://www.superiorenergy.com), or by telephone at 800/289-0529. The replay telephone number is 888/203-1112 and the passcode for the replay call is 409917.

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 Months Ended March 31, 2001 and 2000  
(in thousands, except earnings per share amounts)  
(unaudited)

	Three Months Ended March 31,	
	2001	2000
Revenues	\$ 91,256	\$ 47,274
Costs and expenses:		
Cost of services	48,318	27,762
Depreciation and amortization	6,769	4,737
General and administrative	14,618	9,311
Total costs and expenses	69,705	41,810
Income from operations	21,551	5,464

Other income (expense):		
Interest expense	(3,570)	(2,920)
Interest income	460	193
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Income before income taxes and cumulative change in accounting principle	18,441	2,737
Income taxes	7,561	1,149
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Income before cumulative change in accounting principle	10,880	1,588
Cumulative effect of change in accounting principle, net of tax exp	2,589	-
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Net income	\$ 13,469	\$ 1,588
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Basic earnings per share:		
Earnings before cumulative change in accounting principle	\$ 0.16	\$ 0.03
Cumulative change in accounting principle	0.04	-
	-----	-----
Earnings per share	\$ 0.20	\$ 0.03
	=====	=====
Diluted earnings per share:		
Earnings before cumulative change in accounting principle	\$ 0.16	\$ 0.03
Cumulative change in accounting principle	0.04	-
	-----	-----
Earnings per share	\$ 0.20	\$ 0.03
	=====	=====
Weighted average common shares used in computing earnings per share:		
Basic	67,943	59,856
	=====	=====
Diluted	69,017	60,301
	=====	=====

Condensed Consolidated Balance Sheets  
March 31, 2001 and December 31, 2000  
(in thousands)

	03/31/2001 (unaudited)	12/31/2000 (audited)
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ASSETS		
Current assets	\$ 98,426	\$ 88,770
Property, plant and equipment - net	216,814	202,498
Goodwill - net	114,552	114,650
Note receivable	20,597	19,213
Other assets - net	4,076	5,545
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Total assets	\$ 454,465	\$ 430,676
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities	\$ 64,898	\$ 53,732
Long-term debt, less current portion	144,118	146,393
Deferred income taxes	24,304	24,304

Stockholders' equity	221,145	206,247
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Total liabilities and stockholders' equity	\$ 454,465	\$ 430,676
	=====	=====

Superior Energy Services, Inc.  
Revenue and Gross Profit by Segment  
(Unaudited)

Three Months Ended March 31, 2001  
(\$ in thousands)

	Revenue	Gross Profit	GP %
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Well Intervention Group	\$22,476	\$10,435	46.4%
Wireline	9,590	3,577	37.3%
Marine	13,007	6,857	52.7%
Rental Tools	27,339	17,577	64.3%
Environmental	4,646	2,001	43.1%
Field Management and Construction	13,124	1,920	14.6%
Other	1,074	570	53.1%
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Total	\$ 91,256	\$ 42,937	47.1%
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Liftboat Average Dayrates and Utilization by Fleet Size  
Three Months Ended March 31, 2001  
(\$ actual)

Fleet	Average Dayrate	Utilization
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105'	\$ 2,970	84.7%
120-135'	3,206	75.2%
145-155'	5,167	76.4%
160'	6,958	93.3%
170'	7,053	84.4%
200'	11,979	94.4%
Fleet Average	\$ 5,043	80.8%

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