



## Cordy Oilfield Services Inc. Reports Fourth Quarter and 2018 Annual Results

CALGARY, CANADA – April 25, 2019

CORDY OILFIELD SERVICES INC. (the “Corporation” or “Cordy”) (CKK: TSX-V) released today its fourth quarter and 2018 annual results.

(\$ 000's)	Three months ended December 31			Twelve months ended December 31		
	2018	2017	(\$ Change	2018	2017	(\$ Change
<b>Revenue</b>						
Environmental Services	3,322	2,580	742	15,337	10,659	4,678
Heavy Construction	102	155	(53)	439	471	(32)
Corporate	14	4	10	30	52	(22)
	3,438	2,739	699	15,806	11,182	4,624
<b>Direct operating expenses</b>						
Environmental Services	2,846	2,012	834	12,221	8,078	4,143
Heavy Construction	87	(1,010)	1,097	327	(1,028)	1,355
Corporate	-	1,148	(1,148)	-	1,161	(1,161)
	2,933	2,150	783	12,548	8,211	4,337
<b>General and administrative expenses</b>						
Environmental Services	183	(1)	184	760	394	366
Heavy Construction	1	(52)	53	2	(46)	48
Corporate	260	299	(39)	953	1,065	(112)
	444	246	198	1,715	1,413	302
<b>Operating earnings (loss)</b>						
Environmental Services	293	569	(276)	2,356	2,187	169
Heavy Construction	14	1,217	(1,203)	110	1,545	(1,435)
Corporate	(246)	(1,443)	1,197	(923)	(2,174)	1,251
	61	343	(282)	1,543	1,558	(15)
<b>Normalized operating earnings (loss)</b>						
Environmental Services	324	489	(165)	2,613	2,116	497
Heavy Construction	14	80	(66)	109	70	39
Corporate	(246)	(296)	50	(923)	(1,029)	106
	92	273	(181)	1,799	1,157	642
Depreciation	471	550	(79)	1,900	2,211	(311)
Financing expense	181	110	71	652	870	(218)
Gain on disposal	(300)	(5)	(295)	(428)	(81)	(347)
Share-based recovery	-	-	-	-	(40)	40
Loss before tax	(291)	(312)	21	(581)	(1,402)	821
Income tax expense	-	-	-	-	-	-
Net loss	(291)	(312)	21	(581)	(1,402)	821



## **YEAR ENDED DECEMBER 31, 2018**

In 2018, Cordy's consolidated revenues increased by \$4.6 million or 41 percent, from the same period in 2017. 2018 continued to be a difficult year for oilfield service companies throughout Western Canada. The crippling price of crude continued to hinder drilling programs for all producers and in turn negatively impacted demand for oilfield services. Despite the hostile environment and continued headwinds, Cordy continues to push the sales front and saw a strong 41 percent increase to revenue in 2018. This is attributed to competitive pricing and customer diversification as Cordy focuses on the municipal and industrial services, while continuing to make strides on the market share of the oilfield side.

Cordy's normalized operating earnings increased by \$0.6 million or 55 percent over 2017. Cordy continues to promote a cost-conscious culture and realizes that managing margins is critical for success in the difficult business environment Cordy operates.

Overall consolidated net loss for 2018 improved by \$0.8 million or 59 percent as compared to 2017. Cordy's improving operating results, reduced interest rate on debt and diminishing balance calculation of depreciation continue to improve earnings.

## **CORPORATE OUTLOOK**

Cordy continues to see increase demand for services as compared to the previous year. A steady supply of municipal infrastructure projects, as well as an increase in oilfield market share, has had a positive impact on financial results. Although pricing levels have remained competitive, Cordy's continued focus on selling, coupled with benefits associated with its acquisition of Hornet Hydrovac ("Hornet"), continue to yield results. Cordy will continue to expand service offerings to pre-existing Hornet customers and further build relationships in the hydro excavation market.

Cordy anticipates the year over year trend experienced in 2018 to carry into 2019. Cordy expects 2019 will surpass 2018 numbers, while management continues to scrutinize costs and improve margins. Current trends in the oil and gas sector will continue to be a concern, however Cordy will continue to push for increased market share as our competitors fail to withstand the prolonged downturn. Cordy believes it has positioned itself through its diversified customer base, debt structure, service offerings and lean cost base to be a major player in the municipal, industrial and oilfield market for the foreseeable future. As Cordy's competitors continue to struggle, Cordy consistently sees improved results as Cordy's management made the necessary changes to realize profit in these new market realities.

While remaining focused on operational and financial performance, Cordy will continue to seek out acquisitions and or consolidation opportunities that complement its diversification strategy and provide platforms for organic growth. Cordy is actively reviewing numerous opportunities, however Cordy will remain committed to ensuring any acquisition meets our strategic initiatives and financial thresholds. Cordy will continue to consider multiple avenues to reach strategic objectives and provide shareholder value.



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