

PATTERSON-UTI ENERGY, INC.
Condensed Consolidated Balance Sheets
(unaudited, in thousands)

	March 31, 2026	December 31, 2025
ASSETS		
Current assets:		
Cash, cash equivalents and restricted cash	\$ 337,244	\$ 420,642
Accounts receivable, net	742,379	723,277
Inventory	150,592	160,280
Other current assets	92,057	113,892
Total current assets	1,322,272	1,418,091
Property and equipment, net	2,627,928	2,711,037
Goodwill	487,388	487,388
Intangible assets, net	784,217	814,810
Other assets	138,714	139,140
Total assets	<u>\$ 5,360,519</u>	<u>\$ 5,570,466</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 442,423	\$ 470,782
Accrued liabilities	256,326	366,488
Other current liabilities	21,502	26,372
Total current liabilities	720,251	863,642
Long-term debt, net	1,221,363	1,221,038
Deferred tax liabilities, net	212,032	215,818
Other liabilities	41,170	45,253
Total liabilities	2,194,816	2,345,751
Stockholders' equity:		
Stockholders' equity attributable to controlling interests	3,159,375	3,218,538
Noncontrolling interest	6,328	6,177
Total equity	3,165,703	3,224,715
Total liabilities and stockholders' equity	<u>\$ 5,360,519</u>	<u>\$ 5,570,466</u>

PATTERSON-UTI ENERGY, INC.
Condensed Consolidated Statements of Operations
(unaudited, in thousands, except per share data)

	Three Months Ended		
	March 31, 2026	December 31, 2025	March 31, 2025
REVENUES	\$ 1,117,331	\$ 1,150,813	\$ 1,280,537
COSTS AND EXPENSES:			
Direct operating costs	849,155	871,892	961,414
Depreciation, depletion, amortization and impairment	218,394	220,942	231,866
General and administrative	68,763	62,058	66,930
Other operating expense (income), net	(4,664)	(3,844)	3,382
Total operating costs and expenses	1,131,648	1,151,048	1,263,592
OPERATING INCOME (LOSS)	(14,317)	(235)	16,945
OTHER INCOME (EXPENSE):			
Interest income	2,765	2,433	1,464
Interest expense, net of amount capitalized	(17,485)	(17,678)	(17,697)
Other income (expense)	965	354	1,968
Total other income (expense)	(13,755)	(14,891)	(14,265)
INCOME (LOSS) BEFORE INCOME TAXES	(28,072)	(15,126)	2,680
INCOME TAX EXPENSE (BENEFIT)	(3,596)	(5,929)	1,390
NET INCOME (LOSS)	(24,476)	(9,197)	1,290
NET INCOME (LOSS) ATTRIBUTABLE TO NONCONTROLLING INTEREST	151	(103)	285
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS	<u>\$ (24,627)</u>	<u>\$ (9,094)</u>	<u>\$ 1,005</u>
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON STOCKHOLDERS PER COMMON SHARE:			
Basic	<u>\$ (0.06)</u>	<u>\$ (0.02)</u>	<u>\$ 0.00</u>
Diluted	<u>\$ (0.06)</u>	<u>\$ (0.02)</u>	<u>\$ 0.00</u>
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING:			
Basic	379,587	379,243	386,521
Diluted	379,587	379,243	387,044
CASH DIVIDENDS PER COMMON SHARE	\$ 0.10	\$ 0.08	\$ 0.08

PATTERSON-UTI ENERGY, INC.
Condensed Consolidated Statements of Cash Flows
(unaudited, in thousands)

	Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net income (loss)	\$ (24,476)	\$ 1,290
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation, depletion, amortization and impairment	218,394	231,866
Deferred income tax expense (benefit)	(3,792)	359
Stock-based compensation	4,412	12,289
Net (gain) loss on asset disposals	1,861	(709)
Other	(1,600)	(166)
Changes in operating assets and liabilities	(130,941)	(36,788)
Net cash provided by operating activities	63,858	208,141
Cash flows from investing activities:		
Purchases of property and equipment	(116,628)	(161,831)
Proceeds from disposal of assets, including insurance recoveries	12,220	4,380
Other	(1,618)	(7,053)
Net cash used in investing activities	(106,026)	(164,504)
Cash flows from financing activities:		
Purchases of treasury stock	(350)	(20,295)
Dividends paid	(37,960)	(30,877)
Payments of finance leases	(1,959)	(2,632)
Other	—	(5,069)
Net cash used in financing activities	(40,269)	(58,873)
Effect of foreign exchange rate changes on cash, cash equivalents and restricted cash	(961)	(853)
Net change in cash, cash equivalents and restricted cash	(83,398)	(16,089)
Cash, cash equivalents and restricted cash at beginning of period	420,642	241,293
Cash, cash equivalents and restricted cash at end of period	\$ 337,244	\$ 225,204

PATTERSON-UTI ENERGY, INC.
Additional Financial and Operating Data
(unaudited, dollars in thousands)

	Three Months Ended		
	March 31, 2026	December 31, 2025	March 31, 2025
Drilling Services			
Revenues	\$ 351,717	\$ 360,777	\$ 412,860
Direct operating costs	\$ 217,861	\$ 228,426	\$ 247,629
Adjusted gross profit ⁽¹⁾	\$ 133,856	\$ 132,351	\$ 165,231
Depreciation, amortization and impairment	\$ 83,944	\$ 85,044	\$ 84,972
General and administrative	\$ 7,097	\$ 4,013	\$ 3,945
Other operating expense (income), net	\$ (1,488)	\$ 298	\$ —
Operating income (loss)	\$ 44,303	\$ 42,996	\$ 76,314
Operating days – U.S. ⁽²⁾	8,301	8,596	9,573
Capital expenditures	\$ 54,421	\$ 61,194	\$ 73,458
Completion Services			
Revenues	\$ 679,587	\$ 701,560	\$ 766,080
Direct operating costs	\$ 581,486	\$ 590,657	\$ 657,681
Adjusted gross profit ⁽¹⁾	\$ 98,101	\$ 110,903	\$ 108,399
Depreciation, amortization and impairment	\$ 111,472	\$ 110,941	\$ 115,826
General and administrative	\$ 7,330	\$ 9,863	\$ 11,409
Other operating expense (income), net	\$ —	\$ (6,300)	\$ —
Operating income (loss)	\$ (20,701)	\$ (3,601)	\$ (18,836)
Capital expenditures	\$ 45,101	\$ 59,069	\$ 62,173
Drilling Products			
Revenues	\$ 79,797	\$ 83,774	\$ 85,663
Direct operating costs	\$ 46,924	\$ 49,590	\$ 46,940
Adjusted gross profit ⁽¹⁾	\$ 32,873	\$ 34,184	\$ 38,723
Depreciation, amortization and impairment	\$ 19,846	\$ 20,515	\$ 22,876
General and administrative	\$ 7,923	\$ 6,911	\$ 9,119
Operating income (loss)	\$ 5,104	\$ 6,758	\$ 6,728
Capital expenditures	\$ 15,842	\$ 14,616	\$ 18,222
Other ⁽³⁾			
Revenues	\$ 6,230	\$ 4,702	\$ 15,934
Direct operating costs	\$ 2,884	\$ 3,219	\$ 9,164
Adjusted gross profit ⁽¹⁾	\$ 3,346	\$ 1,483	\$ 6,770
Depreciation, depletion, amortization and impairment	\$ 1,269	\$ 2,429	\$ 6,336
General and administrative	\$ 2	\$ 1	\$ 204
Operating income (loss)	\$ 2,075	\$ (947)	\$ 230
Capital expenditures	\$ 1,111	\$ 3,411	\$ 3,596
Corporate			
Depreciation	\$ 1,863	\$ 2,013	\$ 1,856
General and administrative	\$ 46,411	\$ 41,270	\$ 42,253
Other operating expense (income), net	\$ (3,176)	\$ 2,158	\$ 3,382
Capital expenditures	\$ 153	\$ 223	\$ 4,382
Total Capital Expenditures	\$ 116,628	\$ 138,513	\$ 161,831

⁽¹⁾ Adjusted gross profit, which is considered a non-GAAP financial measure, is defined as revenues less direct operating costs (excluding depreciation, depletion, amortization and impairment expense). See Non-GAAP Financial Measures below for a reconciliation of GAAP gross profit to adjusted gross profit by segment.

⁽²⁾ Operational data relates to our contract drilling business. A rig is considered to be operating if it is earning revenue pursuant to a contract on a given day.

⁽³⁾ Other includes our oilfield rentals business, prior to its divestiture in April 2025, and oil and natural gas working interests.

PATTERSON-UTI ENERGY, INC.

Non-GAAP Financial Measures
Adjusted EBITDA Reconciliations
(unaudited, dollars in thousands)

The following table reconciles Net income (loss) per the information below to Adjusted earnings before interest, taxes, depreciation and amortization (“Adjusted EBITDA”) as reported on the unaudited Condensed Consolidated Statements of Operations:

	Three Months Ended		
	March 31, 2026	December 31, 2025	March 31, 2025
Net income (loss)	\$ (24,476)	\$ (9,197)	\$ 1,290
Income tax expense (benefit)	(3,596)	(5,929)	1,390
Net interest expense	14,720	15,245	16,233
Depreciation, depletion, amortization and impairment	218,394	220,942	231,866
Merger and integration expense	—	6	432
Adjusted EBITDA ⁽¹⁾	<u>\$ 205,042</u>	<u>\$ 221,067</u>	<u>\$ 251,211</u>
Total revenues	\$ 1,117,331	\$ 1,150,813	\$ 1,280,537
Adjusted EBITDA by Operating Segment:			
Drilling Services	\$ 128,247	\$ 128,040	\$ 161,286
Completion Services	90,771	107,340	96,990
Drilling Products	24,950	27,273	29,604
Other	3,344	1,482	6,566
Corporate	(42,270)	(43,068)	(43,235)
Adjusted EBITDA	<u>\$ 205,042</u>	<u>\$ 221,067</u>	<u>\$ 251,211</u>

- ⁽¹⁾ Adjusted EBITDA is not defined by accounting principles generally accepted in the United States of America (“GAAP”). We define Adjusted EBITDA as net income (loss) plus income tax expense (benefit), net interest expense, depreciation, depletion, amortization and impairment expense, legal accruals and settlements, impairment of goodwill and merger and integration expense. We present Adjusted EBITDA as a supplemental disclosure because we believe it provides to both management and investors additional information with respect to the performance of our fundamental business activities and a comparison of the results of our operations from period to period and against our peers without regard to our financing methods or capital structure. We exclude the items listed above from net income (loss) in arriving at Adjusted EBITDA because these amounts can vary substantially from company to company within our industry depending upon accounting methods and book values of assets, capital structures and the method by which the assets were acquired. Adjusted EBITDA should not be construed as an alternative to the GAAP measure of net income (loss). Our computations of Adjusted EBITDA may not be the same as similarly titled measures of other companies.

PATTERSON-UTI ENERGY, INC.

Non-GAAP Financial Measures
Adjusted Gross Profit Reconciliations
(unaudited, dollars in thousands)

The following table reconciles Adjusted gross profit to gross profit, which we believe is the financial measure calculated and presented in accordance with GAAP that is most directly comparable to Adjusted gross profit:

	Three Months Ended		
	March 31, 2026	December 31, 2025	March 31, 2025
Drilling Services			
Revenues	\$ 351,717	\$ 360,777	\$ 412,860
Less direct operating costs	(217,861)	(228,426)	(247,629)
Less depreciation, amortization and impairment	(83,944)	(85,044)	(84,972)
GAAP gross profit (loss)	49,912	47,307	80,259
Depreciation, amortization and impairment	83,944	85,044	84,972
Adjusted gross profit ⁽¹⁾	<u>\$ 133,856</u>	<u>\$ 132,351</u>	<u>\$ 165,231</u>
Completion Services			
Revenues	\$ 679,587	\$ 701,560	\$ 766,080
Less direct operating costs	(581,486)	(590,657)	(657,681)
Less depreciation, amortization and impairment	(111,472)	(110,941)	(115,826)
GAAP gross profit (loss)	(13,371)	(38)	(7,427)
Depreciation, amortization and impairment	111,472	110,941	115,826
Adjusted gross profit ⁽¹⁾	<u>\$ 98,101</u>	<u>\$ 110,903</u>	<u>\$ 108,399</u>
Drilling Products			
Revenues	\$ 79,797	\$ 83,774	\$ 85,663
Less direct operating costs	(46,924)	(49,590)	(46,940)
Less depreciation, amortization and impairment	(19,846)	(20,515)	(22,876)
GAAP gross profit (loss)	13,027	13,669	15,847
Depreciation, amortization and impairment	19,846	20,515	22,876
Adjusted gross profit ⁽¹⁾	<u>\$ 32,873</u>	<u>\$ 34,184</u>	<u>\$ 38,723</u>
Other			
Revenues	\$ 6,230	\$ 4,702	\$ 15,934
Less direct operating costs	(2,884)	(3,219)	(9,164)
Less depreciation, depletion, amortization and impairment	(1,269)	(2,429)	(6,336)
GAAP gross profit (loss)	2,077	(946)	434
Depreciation, depletion, amortization and impairment	1,269	2,429	6,336
Adjusted gross profit ⁽¹⁾	<u>\$ 3,346</u>	<u>\$ 1,483</u>	<u>\$ 6,770</u>

⁽¹⁾ Adjusted gross profit is considered a non-GAAP financial measure. We define “Adjusted gross profit” as revenues less direct operating costs (excluding depreciation, depletion, amortization and impairment expense). Adjusted gross profit is included as a supplemental disclosure because it is a useful indicator of our operating performance.