

**CONTURA ENERGY, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(Amounts in thousands, except share and per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
<b>Revenues:</b>				
Coal revenues	\$ 574,351	\$ 292,403	\$ 2,020,889	\$ 1,392,481
Freight and handling revenues	—	55,991	—	247,402
Other revenues	(2,267)	4,251	10,316	10,086
<b>Total revenues</b>	<b>572,084</b>	<b>352,645</b>	<b>2,031,205</b>	<b>1,649,969</b>
<b>Costs and expenses:</b>				
Cost of coal sales (exclusive of items shown separately below)	366,718	245,244	1,297,990	1,079,895
Freight and handling costs	95,111	55,991	363,128	247,402
Depreciation, depletion and amortization	43,598	9,618	77,549	34,910
Accretion on asset retirement obligations	4,421	2,427	9,966	9,934
Amortization of acquired intangibles, net	(17,860)	9,896	(5,392)	59,007
Selling, general and administrative expenses (exclusive of depreciation, depletion and amortization shown separately above)	15,781	11,365	59,271	67,459
Merger related costs	46,736	—	51,800	—
Secondary offering costs	—	(8)	—	4,491
<b>Total other operating (income) loss:</b>				
Mark-to-market adjustment for acquisition-related obligations	24	—	24	3,221
Gain on settlement of acquisition-related obligations	(170)	(29,686)	(580)	(38,886)
Other expense (income)	354	89	(16,311)	178
<b>Total costs and expenses</b>	<b>554,713</b>	<b>304,936</b>	<b>1,837,445</b>	<b>1,467,611</b>
<b>Income from operations</b>	<b>17,371</b>	<b>47,709</b>	<b>193,760</b>	<b>182,358</b>
<b>Other income (expense):</b>				
Interest expense	(12,272)	(7,897)	(38,810)	(35,977)
Interest income	1,120	94	1,949	210
Loss on modification and extinguishment of debt	(12,042)	—	(12,042)	(38,701)
Equity loss in affiliates	(3,255)	(1,219)	(6,112)	(3,339)
Bargain purchase gain	—	—	—	1,011
Miscellaneous income, net	(517)	544	(1,254)	194
<b>Total other expense, net</b>	<b>(26,966)</b>	<b>(8,478)</b>	<b>(56,269)</b>	<b>(76,602)</b>
<b>(Loss) income from continuing operations before income taxes</b>	<b>(9,595)</b>	<b>39,231</b>	<b>137,491</b>	<b>105,756</b>
Income tax benefit	165,496	75,419	165,363	67,979
<b>Net income from continuing operations</b>	<b>155,901</b>	<b>114,650</b>	<b>302,854</b>	<b>173,735</b>
<b>Discontinued operations:</b>				
Loss from discontinued operations before income taxes	(664)	(36,618)	(4,994)	(36,894)
Income tax benefit from discontinued operations	1,305	18,610	1,305	17,681
<b>Income (loss) from discontinued operations</b>	<b>641</b>	<b>(18,008)</b>	<b>(3,689)</b>	<b>(19,213)</b>
<b>Net income</b>	<b>\$ 156,542</b>	<b>\$ 96,642</b>	<b>\$ 299,165</b>	<b>\$ 154,522</b>

Basic income (loss) per common share:

Income from continuing operations	\$	10.38	\$	11.50	\$	27.61	\$	17.01
Income (loss) from discontinued operations		0.04		(1.81)		(0.33)		(1.89)
Net income	\$	10.42	\$	9.69	\$	27.28	\$	15.12

Diluted income (loss) per common share:

Income from continuing operations	\$	9.85	\$	10.83	\$	25.86	\$	16.13
Income (loss) from discontinued operations		0.04		(1.70)		(0.32)		(1.78)
Net income	\$	9.89	\$	9.13	\$	25.54	\$	14.35

Weighted average shares - basic	15,014,994	9,971,877	10,967,014	10,216,464
Weighted average shares - diluted	15,822,037	10,583,744	11,712,653	10,770,005