

ADJUSTED EBITDA RECONCILIATION

	Year Ended December 31				
	2018	2017	2016	2015	2014
	(In thousands)				
Calculation of Adjusted EBITDA from continuing operations⁽¹⁾					
Net income (loss)	\$ 34,785	\$ 30,337	\$ 29,607	\$ 21,984	\$ (38,118)
Discontinued operations, net of tax	-	(1,874)	(26,651)	(19,711)	(18,732)
Centennial long-lived asset impairment charge	-	982	17,443	-	105,119
Income tax provision (benefit)	7,378	639	(9,649)	(9,510)	(45,199)
Interest expense	1,998	3,440	4,318	4,962	6,062
Interest income	(865)	(222)	(196)	(418)	(827)
Depreciation, depletion and amortization expense	14,683	12,767	13,050	17,372	22,329
Adjusted EBITDA from continuing operations ⁽¹⁾	<u>\$ 57,979</u>	<u>\$ 46,069</u>	<u>\$ 27,922</u>	<u>\$ 14,679</u>	<u>\$ 30,634</u>

(1) Adjusted EBITDA from continuing operations is provided solely as a supplemental disclosure with respect to operating results. Adjusted EBITDA from continuing operations does not represent net income, as defined by U.S. GAAP and should not be considered as a substitute for net income, or as an indicator of operating performance. NACCO defines Adjusted EBITDA from continuing operations as income from continuing operations before long-lived asset impairment charges and income taxes plus net interest expense and depreciation, depletion and amortization expense. Adjusted EBITDA from continuing operations is not a measurement under U.S. GAAP and is not necessarily comparable with similarly titled measures of other companies.