



CreditRiskMonitor’s warning of Jones Energy, Inc.’s (“Jones”) bankruptcy risk was determined by a combination of factors:

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## MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's FRISK® score had been warning of financial stress at Jones Energy, Inc. (OTC: JONE) for more than a year.

We issued a special High Risk Report, dated September 28, 2018, as conditions continued to deteriorate and become more troubling.

The company ultimately filed for bankruptcy on April 14, 2019.

Business Name	2018	2018	2018	2018	2018	2018	2018	2018	2018	2019	2019	2019	2019
	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR
Jones Energy, Inc.	1	1	1	1	1	1	1	1	1	1	1	1	1

**BANKRUPT!**

The FRISK® score is 96% accurate\* in predicting the risk of corporate failure/bankruptcy over a 12-month horizon. All FRISK® scores are recalculated every night for each subsequent 12-month period.

Probability of bankruptcy within 12 months			
FRISK®	From	To	
Best	10	0.00%	0.12%
	9	0.12%	0.27%
	8	0.27%	0.34%
	7	0.34%	0.55%
	6	0.55%	0.87%
	5	0.87%	1.40%
	4	1.40%	2.10%
	3	2.10%	4.00%
	2	4.00%	9.99%
Worst	1	9.99%	50.00%

While the percentage risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. A FRISK® score of 5 or less is an important warning sign.

\* FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

## THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:

A “Merton” type model using stock market capitalization and volatility

Financial ratios, including those used in the Altman Z”-Score Model

Bond agency ratings from Moody's, Fitch, DBRS, & Morningstar

## Crowdsourced CreditRiskMonitor Usage Data

**Crowdsourcing** has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

**The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:**

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same “Fair Disclosure” restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company's management and sales representatives to be alerted to concerns in a public company's performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

[Read more in Credit Research Foundation's quarterly journal article, "Assessing Public Company Financial Risk by Crowdsourcing the Research of Credit Professionals"](#)

# COMPANY REPORT DETAIL

## Jones Energy, Inc.

807 Las Cimas Parkway  
Suite 350

Phone: (512) 328-2953

Austin, TX 78746 United States

Ticker: JONE

**Filed for Bankruptcy on 4/14/2019**  
**Case #19-32112, filed in the U.S. Bankruptcy Court for the Southern District of Texas (Houston)**

### Latest Financial Statements as of 12/31/2018

#### Business Summary

Jones Energy, Inc. is an independent oil and gas company engaged in the exploration, development, production and acquisition of oil and natural gas properties. The Company's assets are located within the Anadarko and Arkoma basins of Texas and Oklahoma. It owns leasehold interests in oil and natural gas producing properties, as well as in undeveloped acreage, located in the Anadarko and Arkoma basins in Texas and Oklahoma. The Company's oil is generally sold under short-term, extendable and cancellable agreements with unaffiliated purchasers. The Company's natural gas is sold at delivery points at or near producing wells to natural gas gathering and marketing companies. Its total estimated proved reserves are approximately 101.7 million barrels of oil equivalent (MMBoe). Approximately 25% of its total estimated proved reserves consist of oil, over 32% consist of natural gas liquids (NGLs) and over 43% consist of natural gas. Its properties include over 1,020 gross producing wells.

(Source: 10-K)

Employees: 83 (as of 12/31/2018)

Incorporated: 3/25/2013

Federal Tax Id: 800907968

#### Credit Score History

[Why are these scores different?](#) Auditor Information

Score/ Index	2018												2019				
	A	M	J	J	A	S	O	N	D	J	F	M	A	J	F	M	A
<b>FRISK® Score*</b>	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
<b>DBT Index</b>	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
<b>Z"-Score</b>	0.05				0.19				0.14					<-10			Z"

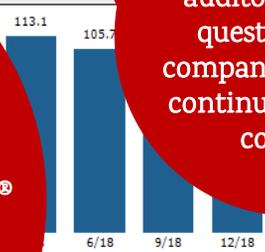
\*FRISK® scores are month-end

Last Audit: 12/31/2018  
 Auditors: PricewaterhouseCoopers LLP  
 Opinion: **Unqualified with Explanation**

#### Agency Credit Ratings

Rating Agency
Fitch

#### Sales Outstanding

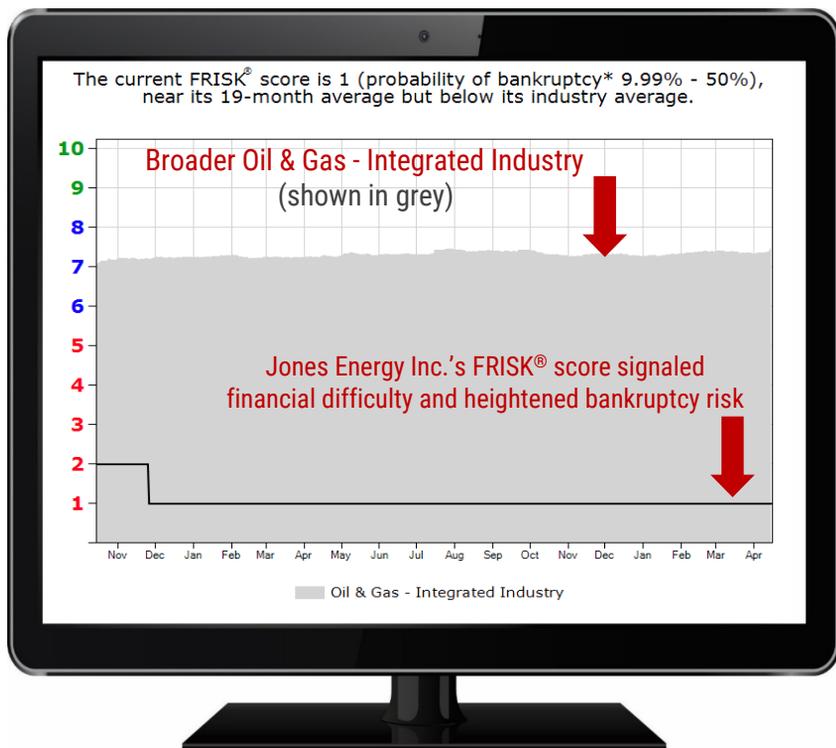


The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, which is very similar to D&B's PAYDEX® score, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing. This is what's commonly called the "Cloaking Effect."

The explanatory paragraph within the auditor's opinion questioned the company's ability to continue as a going concern

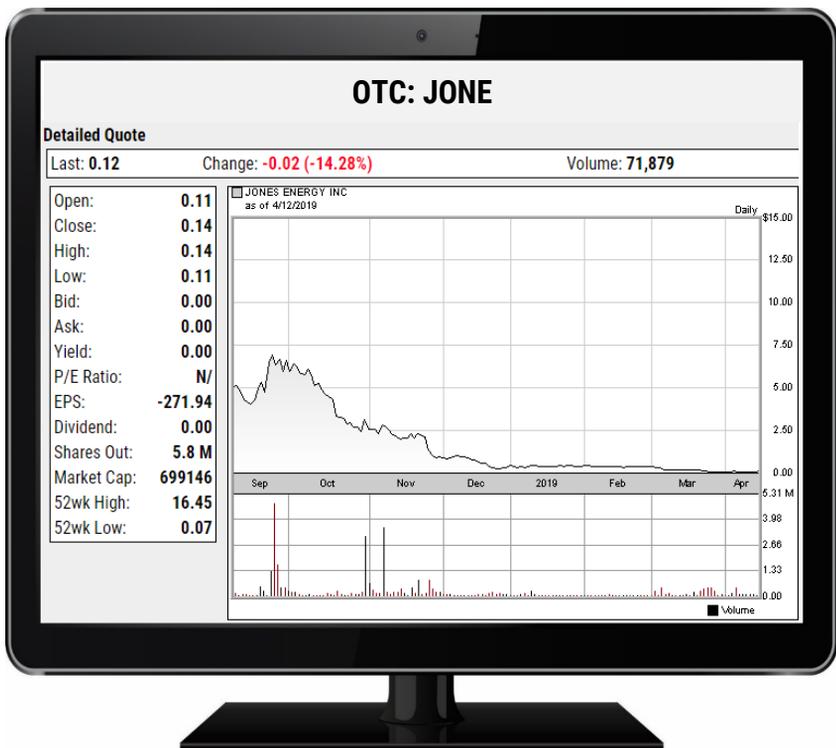
## FRISK® DEEP DIVE



The FRISK® score relative to the broader Oil & Gas – Integrated industry raised an additional red flag signaling heightened risk relative to peers, as well...

**MAKING IMMEDIATE ATTENTION REQUIRED.**

## ADJUSTED MARKET CAP VOLATILITY



One of the inputs of the FRISK® score is a company's market cap volatility, adjusted for dividends, over the course of a year. Incorporating this information allows us to capture the "wisdom of markets" on a daily basis. This ensures our subscribers are getting the most up to date view of the risks they face since stocks tend to be more liquid and faster moving than bond prices and ratings.

# FRISK® STRESS INDEX

#	Business Name	Country	FRISK® score
1	<a href="#">Bellatrix Exploration Ltd</a>	Canada	1
2	<a href="#">California Resources Corp</a>	United States	1
3	<a href="#">Energi Mega Persada Tbk PT</a>	Indonesia	1
4	<a href="#">EP Energy Corp</a>	United States	1
5	<a href="#">EP Energy LLC</a>	United States	1
6	<a href="#">Jones Energy Inc</a>	United States	1
7	<a href="#">Laredo Petroleum Inc</a>	United States	1
8	<a href="#">Legacy Reserves Inc</a>	United States	1
9	<a href="#">MIE Holdings Corp</a>	China	1
10	<a href="#">Molori Energy Inc</a>	Canada	1

## FRISK® Stress Index - SIC classification: Crude petroleum and natural gas

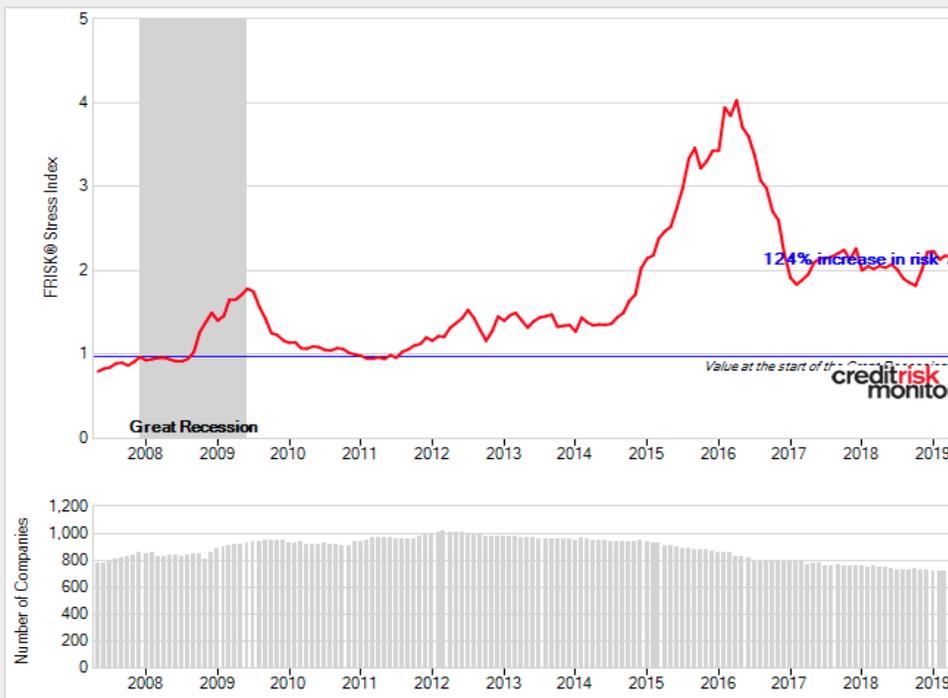
Primary industry codes only
  Primary and secondary industry codes

Businesses From:  CLEAR  
 In Industry:   
 Country:

**UPDATE RESULTS**

Scale:

Total Companies in all months **1,606**



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

**The average probability of failure for SIC code 1311 (Crude petroleum and natural gas) has increased 124% since 2007.** Jones Energy, Inc. was among the weakest names in the industry as evidenced by its FRISK® score of 1.

# PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

Jones demonstrates bottom quartile ranking in key financial ratios (shown in red) vs. its industry peers.

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers.

Peer Analysis						
Period/Quarter:	2018.4					
Peer Group:	SIC 1311: Crude petroleum and natural gas					
	<b>REFRESH</b>					
	[SIC: 1311] [Calendar Year/Quarter: 2018.4]					
Businesses in Peer Group: 3433	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
				Low	Median	High
<b>Credit Ratings</b>						
ZScore	576	637	-33.68	-22,832.12	1.61	1,023.56
<b>Performance ratios:</b>						
Net Sales (Thousands of U.S. Dollars)	160	279	53,887	0	88,152	111,200,000
Gross Margin % Of Sales	150	554	70.46	-20,125.54	45.74	102.68
Gross Margin % Of Sales -- TTM	134	564	7			
SG&A % Of Sales	297	590	1			
SG&A % Of Sales -- TTM	292	607	1			
Operating Margin % Of Sales	598	624	-2,50			
Operating Margin % Of Sales TTM	582	633	-57			
EBITDA Margin Of Sales	416	419	-2,31			
EBITDA Margin Of Sales -- TTM	439	454	-48			
Net Profit Margin % Of Sales	592	622	-2,21			
Net Profit Margin % Of Sales - TTM	579	631	-54			
Pre-tax Income % Of Sales	593	622	-2,367.51	-42,496.02	3.35	25,654.95
Effective Tax Rate	275	605	2.75	-5,840.54	9.42	8,625.59
Depreciation % Of Prop/Plant/Equipment	519	589	20.29	0.00	9.08	581.82
Capital Expense % Of Prop/Plant/Equipment	329	527	19.02	0.01	14.77	28,568.42
Interest Coverage	383	344	-56.25	-57,232.80	4.82	833.99
Interest Coverage -- TTM	413	446	-8.08	-29,509.89	3.75	1,423.00
<b>Liquidity ratios:</b>						
Cash Ratio	280	661	0.53	0.00	0.42	220.35
Quick Ratio	240	610	1.06	0.00	0.82	221.66
Current Ratio	353	661	1.19	0.00	1.23	221.66
<b>Efficiency ratios:</b>						
Accounts Receivable Turnover	489	639				
Days Sales Outstanding	528	629	10			
% of Inventory Financed by Vendors	N/A	270				
% of Inventory Financed by Vendors -- TTM	N/A	305				
Inventory Turnover	N/A	385				
Inventory Turnover TTM	N/A	396				
Days Sales in Inventory	N/A	362				
Inventory to Working Capital	N/A	361				
Accounts Payable Turnover	292	482				
Accounts Payable Turnover -- TTM	338	488				
<b>Leverage &amp; debt coverage:</b>						
Total Debt to Equity Ratio	N/A	491	N/A	0.00	0.47	976.75
Debt to Tangible Equity Ratio	N/A	468	N/A	0.00	0.52	288.47
Total Debt to Assets Ratio	530	545	2.42	0.00	0.26	252.03
Short-Term Debt % of Total Debt	N/A	414	N/A	0.00	18.62	100.00
Short-Term Debt % of Working Capital	N/A	429	N/A	-3,043.62	1.26	3,231.41
Liabilities to Net Worth Ratio	N/A	588	N/A	0.00	0.85	338.55
Total Liabilities to Equity Ratio	N/A	603	N/A	0.00	0.82	1,300.84
TTM EBITDA Over Total Debt	400	420	-1.16	-108.93	0.38	41.95
Net Debt Over TTM EBITDA	N/A	328	N/A	-21.55	1.50	46.42

Rank	Company Name
1	Formosa Petrochemical Corporation
2	Sngn Romgaz Sa
3	Tatneft' PAO
4	Tatneft' PAO
5	Tatneft' PAO (ADR)

Rank	Company Name
1	Canadian Imperial Venture Corp
2	OMV Petrom SA
3	Tatneft' PAO (P)
4	Tatneft' PAO
5	Tatneft' PAO

Green - Ranked in Upper Quartile of Peer Group						
White - Ranked in the Middle Two Quartiles of Peer Group						
Red - Ranked in Lower Quartile of Peer Group						
Orange - Confidential						
Grey - Data is Not Available						

TTM = trailing 12 months  
N/A = Not Available

# QUARTERLY PERFORMANCE RATIOS

Recurring operating & net losses

Poor interest coverage ratio & negative free cash flow

## Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 12/31/2018	3 mos 9/30/2018	3 mos 6/30/2018	3 mos 3/31/2018	3 mos 12/31/2017
<b>Net Sales \$</b>	<b>\$53,887</b>	<b>\$59,726</b>	<b>\$65,255</b>	<b>\$57,489</b>	<b>\$54,512</b>
% change	-9.78%	-8.47%	13.51%	5.46%	23.32%
<b>Gross Margin \$</b>	<b>\$37,971</b>	<b>\$44,713</b>	<b>\$49,494</b>	<b>\$43,803</b>	<b>\$43,332</b>
% change	-15.08%	-9.66%	12.99%	1.09%	35.47%
% of sales	70.46%	74.86%	75.85%	76.19%	79.49%
change as % of incremental sales	n/m	n/m	73.28%	15.82%	110.04%
<b>SG&amp;A \$</b>	<b>\$7,001</b>	<b>\$8,737</b>	<b>\$7,896</b>	<b>\$7,570</b>	<b>\$5,399</b>
% change	-19.87%	10.65%	4.31%	40.21%	-30.95%
% of sales	12.99%	14.63%	12.10%	13.17%	9.90%
change as % of incremental sales	n/m	n/m	4.20%	72.93%	-23.47%
<b>Operating margin \$</b>	<b>(\$1,350,427)</b>	<b>(\$6,277)</b>	<b>(\$4,923)</b>	<b>(\$8,758)</b>	<b>(\$6,327)</b>
% change	-21,413.89%	-27.50%	43.79%	-38.42%	74.08%
% of sales	-2,506.03%	-10.51%	-7.54%	-15.23%	-11.61%
change as % of incremental sales	n/m	n/m	49.38%	-81.66%	175.36%
<b>EBITDA \$</b>	<b>(\$1,249,547)</b>	<b>\$21,008</b>	<b>\$45,580</b>	<b>\$40,413</b>	<b>\$76,117</b>
% change	-6,047.96%	-53.91%	12.79%	-46.91%	822.18%
% of sales	-2,318.83%	35.17%	69.85%	70.30%	139.63%
change as % of incremental sales	n/m	n/m	66.53%	-1,199.33%	658.23%
<b>EBIT \$</b>	<b>(\$1,297,471)</b>	<b>(\$18,802)</b>	<b>\$851</b>	<b>(\$1,028)</b>	<b>\$36,236</b>
% change	-6,800.71%	-2,309.40%	182.78%	-102.84%	195.11%
% of sales	-2,407.76%	-31.48%	1.30%	-1.79%	66.47%
change as % of incremental sales	n/m	n/m	24.20%	-1,251.73%	721.00%
<b>Pre-tax income \$</b>	<b>(\$1,270,389)</b>	<b>(\$53,885)</b>	<b>(\$52,349)</b>	<b>(\$31,912)</b>	<b>(\$6,327)</b>
% change	-2,257.59%	-2.93%	-64.04%	-404.38%	92.42%
% of sales	-2,357.51%	-90.22%	-80.22%	-55.51%	-11.61%
change as % of incremental sales	n/m	n/m	-263.16%	-859.42%	748.09%
<b>Net income (loss) \$</b>	<b>(\$1,191,072)</b>	<b>(\$33,091)</b>	<b>(\$41,515)</b>	<b>(\$25,361)</b>	<b>\$46,917</b>
% change	-3,499.38%	20.29%	-63.70%	-154.06%	172.40%
% of sales	-2,210.31%	-55.40%	-63.62%	-44.11%	86.07%
change as % of incremental sales	n/m	n/m	-208.01%	-2,427.88%	1,083.64%
<b>Tax expense \$</b>	<b>(\$34,901)</b>	<b>(\$18,530)</b>	<b>(\$5,418)</b>	<b>(\$2,992)</b>	<b>(\$65,160)</b>
Effective tax rate	2.75%	34.39%	10.35%	9.38%	1,029.87%
<b>Depreciation expense \$</b>	<b>\$47,924</b>	<b>\$39,810</b>	<b>\$44,729</b>	<b>\$41,441</b>	<b>\$39,881</b>
% of sales	88.93%	66.65%	68.54%	72.09%	73.16%
% of capital expenses	106.68%	102.07%	100.13%	59.01%	60.25%
% of PP&E, net (annualized)	20.29%	9.83%	11.04%	10.30%	10.03%
<b>Capital expenditures \$</b>	<b>\$44,923</b>	<b>\$39,002</b>	<b>\$44,670</b>	<b>\$70,233</b>	<b>\$66,195</b>
% change	15.18%	-12.69%	-36.40%	6.10%	-8.15%
% of PP&E, net (annualized)	19.02%	9.64%	11.02%	17.45%	16.65%
% of working capital (annualized)	994.50%	465.36%	196.92%	822.81%	-440.42%
<b>Interest coverage ratio</b>	<b>(56.25)</b>	<b>0.60</b>	<b>0.86</b>	<b>1.31</b>	<b>1.79</b>
% change	-9,493.85%	-30.11%	-34.52%	-26.83%	882.58%
<b>Free cash flow \$</b>	<b>(\$25,816)</b>	<b>(\$40,813)</b>	<b>(\$37,442)</b>	<b>(\$30,649)</b>	<b>(\$48,612)</b>
% change	36.75%	-9.00%	-22.16%	36.95%	6.73%
Source:	10-K 2/28/2019	10-Q 11/2/2018	10-Q 8/8/2018	10-Q 5/4/2018	10-K 2/28/2018

## QUARTERLY LEVERAGE RATIOS

Stockholders' equity and tangible net worth turns sharply negative in Q4 2018

A significant increase in the total debt to assets ratio signaled heightened risk

### Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	12/31/2018	9/30/2018	6/30/2018	3/31/2018	12/31/2017
<b>Total debt \$</b>	\$982,157	\$980,373	\$978,727	\$1,002,074	\$759,316
% change	0.18%	0.17%	-2.33%	31.97%	8.67%
<b>Stockholders' equity \$</b>	<b>(\$711,264)</b>	<b>\$542,714</b>	\$495,440	\$535,229	\$559,326
% change	-231.06%	9.54%	-7.43%	-4.31%	26.42%
<b>Total debt to equity ratio</b>	n/a	1.81	1.98	1.87	1.36
% change	n/a	-8.56%	5.52%	37.91%	-14.04%
<b>Tangible net worth \$</b>	<b>(\$711,264)</b>	<b>\$542,714</b>	\$495,440	\$535,229	\$559,326
% change	-231.06%	9.54%	-7.43%	-4.31%	26.42%
<b>Total debt to tangible net worth</b>	n/a	1.81	1.98	1.87	1.36
% change	n/a	-8.56%	5.52%	37.91%	-14.04%
<b>Total assets \$</b>	\$405,575	\$1,789,911	\$1,856,499	\$1,941,183	\$1,710,063
% change	-77.34%	-3.59%	-4.36%	13.52%	2.92%
<b>Total debt to assets ratio</b>	<b>2.42</b>	<b>0.55</b>	<b>0.53</b>	<b>0.52</b>	<b>0.44</b>
% change	342.14%	3.89%	2.13%	16.26%	5.59%
<b>Tangible assets \$</b>	\$405,575	\$1,789,911	\$1,856,499	\$1,941,183	\$1,710,063
% change	-77.34%	-3.59%	-4.36%	13.52%	2.92%
<b>Total liabilities \$</b>	\$1,116,839	\$1,247,197	\$1,361,059	\$1,405,954	\$1,150,737
% change	-10.45%	-8.37%	-3.19%	22.18%	-5.61%
<b>Total liabilities to equity ratio</b>	n/a	2.30	2.75	2.63	2.06
% change	n/a	-16.35%	4.58%	27.68%	-25.34%
<b>Total liabilities to tangible net worth ratio</b>	n/a	2.30	2.75	2.63	2.06
% change	n/a	-16.35%	4.58%	27.68%	-25.34%
<b>Total debt to EBITDA ratio (annualized)</b>	n/a	11.67	5.37	6.20	2.49
% change	n/a	117.33%	-13.40%	148.57%	-88.22%
Source:	10-K 2/28/2019	10-Q 11/2/2018	10-Q 8/8/2018	10-Q 5/4/2018	10-K 2/28/2018

# QUARTERLY LIQUIDITY RATIOS AND RATES OF RETURN

Q4 2018 vs. Q1 2018 working capital declined substantially

## Liquidity Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	12/31/2018	9/30/2018	6/30/2018	3/31/2018	12/31/2017
<b>Current assets \$</b>	<b>\$130,131</b>	<b>\$171,883</b>	<b>\$231,809</b>	<b>\$317,894</b>	<b>\$104,701</b>
% change	-24.29%	-25.85%	-27.08%	203.62%	41.49%
<b>Current liabilities \$</b>	<b>\$109,637</b>	<b>\$156,240</b>	<b>\$180,403</b>	<b>\$187,822</b>	<b>\$166,487</b>
% change	-29.83%	-13.39%	-3.95%	12.81%	25.70%
<b>Working capital \$</b>	<b>\$20,494</b>	<b>\$15,643</b>	<b>\$51,406</b>	<b>\$130,072</b>	<b>(\$61,786)</b>
% change	31.01%	-69.57%	-60.48%	310.52%	-5.70%
% of sales (annualized)	9.51%	6.55%	19.69%	56.56%	-28.34%
<b>Cash \$</b>	<b>\$58,464</b>	<b>\$93,676</b>	<b>\$148,070</b>	<b>\$231,086</b>	<b>\$19,472</b>
% change	-37.59%	-36.74%	-35.92%	1,086.76%	255.46%
<b>Cash ratio</b>	<b>0.53</b>	<b>0.60</b>	<b>0.82</b>	<b>1.23</b>	<b>0.12</b>
% change	-11.06%	-26.95%	-33.28%	951.54%	182.61%
<b>Quick assets \$</b>	<b>\$116,415</b>	<b>\$161,306</b>	<b>\$222,849</b>	<b>\$307,463</b>	<b>\$85,615</b>
% change	-27.83%	-27.62%	-27.52%	259.12%	64.18%
<b>Quick ratio</b>	<b>1.06</b>	<b>1.03</b>	<b>1.24</b>	<b>1.64</b>	<b>0.51</b>
% change	2.85%	-16.43%	-24.54%	218.36%	30.61%
<b>Current ratio</b>	<b>1.19</b>	<b>1.10</b>	<b>1.29</b>	<b>1.69</b>	<b>0.63</b>
% change	7.89%	-14.39%	-24.08%	169.12%	12.56%
Source:	10-K 2/28/2019	10-Q 11/2/2018	10-Q 8/8/2018	10-Q 5/4/2018	10-K 2/28/2018

Negative returns in 4 of the last 5 quarters

## Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 12/31/2018	3 mos 9/30/2018	3 mos 6/30/2018	3 mos 3/31/2018	3 mos 12/31/2017
<b>Return on equity</b>	<b>-219.47%</b>	<b>-6.68%</b>	<b>-7.76%</b>	<b>-4.53%</b>	<b>10.60%</b>
% change	-3,185.86%	13.89%	-71.07%	-142.76%	172.81%
<b>Return on net tangible equity</b>	<b>-219.47%</b>	<b>-6.68%</b>	<b>-7.76%</b>	<b>-4.53%</b>	<b>10.60%</b>
% change	-3,185.86%	13.89%	-71.07%	-142.76%	172.81%
<b>Return on total assets</b>	<b>-108.50%</b>	<b>-1.82%</b>	<b>-2.19%</b>	<b>-1.39%</b>	<b>2.78%</b>
% change	-5,878.07%	16.98%	-57.38%	-149.92%	172.74%
<b>Return on tangible assets</b>	<b>-108.50%</b>	<b>-1.82%</b>	<b>-2.19%</b>	<b>-1.39%</b>	<b>2.78%</b>
% change	-5,878.07%	16.98%	-57.38%	-149.92%	172.74%
Source:	10-K 2/28/2019	10-Q 11/2/2018	10-Q 8/8/2018	10-Q 5/4/2018	10-K 2/28/2018

## NEWS ALERTS: A TIMELINE OF CONCERNING NEWS ITEMS

<b>Fitch downgraded Jones Energy's Ratings to 'CCC-' noting that its credit profile was weaker than high-yield peers on several key metrics, including size, operational momentum, and leverage metrics.</b>		
4/10/2018	CRMZ News Service	Jones Energy Inc -- updated Fitch rating available
<b>Jones Energy, Inc. announced several changes to its senior management. Jonny Jones, the CEO of the Company, and Mike S. McConnell, the President of the Company, were terminated, effective immediately.</b>		
4/17/2018	CRMZ News Service	JONES ENERGY, INC. FILES (8-K) Disclosing Change in Directors or Principal Officers, Regulation FD Disclosure
<b>The Company's bondholders were the latest investors urging Jones Energy to explore options to restructure its balance sheet and sell assets.</b>		
4/27/2018	CRMZ News Service	Jones Energy's Bondholders Push For Debt Exchange
<b>Net loss for the period ended 6/30/2018 was \$41.5 million; net loss for the 6 month year-to-date period was \$66.9 million.</b>		
8/9/2018	CRMZ News Service	Jones Energy Inc -- updated financials available
<b>Net loss for the period ended 9/30/2018 was \$33.1 million; net loss for the 9 month year-to-date period was \$100 million.</b>		
11/2/2018	CRMZ News Service	Jones Energy Inc -- updated financials available
<b>Jones Energy became non-compliant with the market capitalization requirement of the NYSE.</b>		
11/26/2018	GlobeNewswire	Jones Energy, Inc. Announces Move to OTCQX®
<b>Substantial debt obligations and the related significant debt interest payments contributed to the substantial doubt raised about the Company's ability to continue as a going concern.</b>		
3/1/2019	CRMZ News Service	Jones Energy Inc Receives Going Concern Opinion
<b>For the period ended 12/31/2018, operating and net losses, \$1.4 billion and 1.2 billion respectively, exhibited an extremely significant change for the worse versus the same period last year.</b>		
3/5/2019	CRMZ News Service	Jones Energy Inc -- updated financials available
<b>Jones missed a coupon payment on unsecured notes as it continued talks with bondholders.</b>		
3/19/2019	CRMZ News Service	Jones Energy Misses Interest On Bonds As Restructuring Talks Continue
<b>Fitch Ratings downgraded the Long-Term Issuer Default Rating (IDR) of Jones Energy, Inc. to 'C' from 'CC'. Fitch also lowered the recovery ratings on the Company's first lien notes and senior unsecured notes to reflect a lower recovery value based on lower production and reduced drilling plans.</b>		
3/21/2019	CRMZ News Service	Jones Energy Inc -- updated Fitch rating available
<b>Jones entered into a restructuring support agreement (the "RSA") that contemplated a comprehensive balance sheet restructuring to be implemented through a prepackaged chapter 11 plan of reorganization.</b>		
4/3/2019	GlobeNewswire	Jones Energy, Inc. Announces Comprehensive Restructuring Support Agreement with First Lien and Unsecured Noteholders for Prepackaged Chapter 11 Plan
<b>Jones Energy, Inc. files for bankruptcy.</b>		
4/15/2019	CRMZ News Service	Jones Energy, Inc.: Chapter 11 Petition filed on 4/14/2019

# MANAGEMENT DISCUSSION AND ANALYSIS

One of the CreditRiskMonitor service's features is the ability to quickly access a Company's Management Discussion and Analysis (MD&A) history.

The MD&A represents the thoughts and opinions of management, and provides a forecast of future operations, and therefore these statements can't typically be falsified. According to the Financial Accounting Standards Board (FASB), "MD&A should provide a balanced presentation that includes both positive and negative information about the topics discussed."

Sarbanes-Oxley subjects CEOs and CFOs to jail and monetary penalties for certifying misleading or fraudulent reports

Report	
Overview	▶
Company News	
Risk Ratings	▶
Important Information	▶
Annual Financials	▶
Year/Year Interim	▶
Sequential Quarters	▶
<b>Liquidity (MD&amp;A)</b>	▶
SEC Filings	
Peer Analysis	
Payments	▶
General Info	▶
Access History	
Update Portfolio	
Print/Save Report	
Currency Converter	
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**Jones Energy, Inc.**  
807 Las Cimas Parkway  
Suite 350  
Austin, TX 78746 United States  
Phone: (512) 328-2953  
Ticker: JONE

**Filed for Bankruptcy on 4/14/2019**  
Case #19-32112, filed in the U.S. Bankruptcy Court for the Southern District of Texas (Houston)

Historically, our primary sources of liquidity have been private and public sales of our debt and equity, borrowings under bank credit facilities and cash flows from operations. Our primary use of capital has been for the exploration, development and acquisition of oil and gas properties. As we pursue development of our assets and reserves and production growth, we continually consider which capital resources, including equity and debt financings, are available to meet our future financial obligations, planned capital expenditure activities and liquidity requirements. Our ability to maintain and grow proved reserves and production will be highly dependent on the capital resources available to us. We strive to maintain financial flexibility in order to facilitate drilling on our undeveloped acreage positions and permit us to selectively expand our acreage positions. As a result of extremely challenging current market conditions and our significant indebtedness, we believe we will require a significant restructuring of our balance sheet in order to continue as a going concern in the long term. For more detailed discussion, please read "Item 1A. Risk Factors," and Note 3 "Going Concern."

## ABOUT THIS REPORT/CONTACT CREDITRISKMONITOR



CreditRiskMonitor is a financial risk analysis and news service that helps credit, supply chain and financial professionals stay ahead of and manage risk quickly, accurately and cost effectively. More than 35% of the Fortune 1000, plus over a thousand other large corporations worldwide, rely on our financial risk coverage of over 58,000 global public companies.

**CreditRiskMonitor Bankruptcy Case Studies** provide post-filing analyses of public company bankruptcies. Our case studies educate subscribers about methods they can apply to assess bankruptcy risk using CreditRiskMonitor's proprietary FRISK® score, robust financial database and timely news alerts.

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