UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 5, 2017

Mistras Group, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001- 34481**	**22-3341267**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

195 Clarksville Road	
Princeton Junction, New Jersey	**08550**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(609) 716-4000**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d 2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

On August 8, 2017, Mistras Group, Inc. (the "Company," "we" or "us") issued a press release announcing the financial results for our second quarter, which ended June 30, 2017. A copy of the press release is attached as Exhibit 99.2 to this report.

Disclosure of Non-GAAP Financial Measures

In the press release attached, the Company uses the terms "Adjusted EBITDA", "free cash flow" and "net debt", which are not measures of financial performance under U.S. generally accepted accounting principles ("GAAP"). Also, in the tables to the press release, the non-GAAP financial measure "Segment and Total Company Income (Loss) before Special Items", is presented and reconciled to a financial measure under GAAP. Information about these non-GAAP measures are included in the press release.

Our management uses these non-GAAP measurements as a measure of operating performance and liquidity to assist in comparing performance from period to period on a consistent basis, as a measure for planning and forecasting overall expectations and for evaluating actual results against such expectations. Adjusted EBITDA and free cash flow are also performance evaluation metrics used to determine incentive compensation for executive officers.

We believe that investors and other users of the financial statements benefit from the presentation of these non-GAAP measurements because they provide additional metrics to compare the Company's operating performance and liquidity on a consistent basis and measure underlying trends and results of the Company's business. Adjusted EBITDA and Segment and Total Company Income (Loss) before Special Items assist in evaluating our operating performance because they remove the impact of certain items that management believes do not directly reflect our core operations. For instance, Adjusted EBITDA generally excludes interest expense, taxes and depreciation and amortization, each of which can vary substantially from company to company depending upon accounting methods and the book value and age of assets, capital structure, capital investment cycles and the method by which assets were acquired. It also eliminates stock-based compensation, which is a non-cash expense and is excluded by management when evaluating the underlying performance of our business operations.

Our management uses free cash flow when evaluating the performance of our business operations. This measurement also takes into account cash used to purchase fixed assets needed for business operations which are not expensed. We believe this measurement provides an additional tool to compare cash generated by our operations on a consistent basis and measure underlying trends and results in our business.

While Adjusted EBITDA and free cash flow are terms and financial measurements commonly used by investors and securities analysts, they have limitations. As non-GAAP measurements, Adjusted EBITDA and free cash flows have no standard meaning and, therefore, may not be comparable with similar measurements for other companies. Similarly, Segment and Total Company Income (Loss) Before Special Items has no standard meaning and may not be comparable to measurements for other companies. Adjusted EBITDA and free cash flow are generally limited as analytical tools because they exclude charges and expenses we do incur as part of our operations as well as cash uses which are included in a GAAP cash flow statement. In addition, free cash flow does not represent residual cash flow available for discretionary expenditures since items such as debt repayments are not deducted in determining such measurement.

None of these non-GAAP financial measurements should be considered in isolation or as a substitute for analyzing our results as reported under U.S. generally accepted accounting principles.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On August 5, 2017, Board of Directors of Mistras Group, Inc. (the "Company") approved the following actions, all of which are effective August 10, 2017. Dennis Bertolotti, currently the Company's President and Chief Operating Officer, was appointed the Company's President and Chief Executive Officer. Dr. Sotirios Vahaviolos, the Company' Chairman and CEO, resigned from his CEO position and will become Executive Chairman and continue to lead the Board of Directors. The number of directors has been increased from seven to eight, and the Board elected Mr. Bertolotti fill that position and become a member of the Board. Jonathan Wolk, the Company's Senior Executive Vice President, Chief Financial Officer and Treasurer, will become Senior Executive Vice President and Chief Operating Officer. Mr. Wolk will continue in his role of CFO and Treasurer until a new CFO and Treasurer is appointed. A press release announcing these events is furnished as Exhibit 99.1 to this report.

Mr. Bertolotti, 57, joined Mistras in 2003, when Mistras acquired Conam Inspection, where Bertolotti served as a Vice President, and has served in various leadership and executive roles since then, including President of the Mistras Services segment and most recently serving as President and Chief Operating Officer of Mistras Group. Mr. Bertolotti has over 30 years of experience in the inspection and non-destructive testing industry, and prior to moving into management and executive positions, held several high-level certifications from the American Society for Nondestructive Testing and the American Petroleum Institute. Mr. Bertolotti received his Associate of Science degree in NDT from Moraine Valley Community College and received a Bachelor of Science and MBA from Otterbein College.

Mr. Wolk, 56, joined Mistras as Executive Vice President, CFO and Treasurer in November 2013 and became Senior Executive Vice President in 2016. Prior to joining Mistras, Mr. Wolk served as Senior Vice President and CFO for American Woodmark for almost 10 years, and served in various executive and management positions before then. Mr. Wolk received his B.S. in accounting from State University of New York-Albany and is a certified public accountant.

The compensation arrangements for the new positions for these executives will be determined in the future. Their current compensation arrangements are set forth in the Company’s proxy statement for its 2017 annual shareholders meeting.

There has been no transaction since December 31, 2015, or proposed transaction, to which the Company was or is to be a party in which Mr. Bertolotti or Mr. Wolk had a direct or indirect interest required to be disclosed under Item 404 of Regulation S-K. There are no family relationships between Mr. Bertolotti and any other officer or director of the Company or between Mr. Wolk and any other officer or director of the Company.

Item 9.01. Financial Statement and Exhibits

(d) Exhibits

99.1 Press release issued by Mistras Group, Inc. on August 7, 2017
99.2 Press release issued by Mistras Group, Inc. on August 8, 2017

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MISTRAS GROUP, INC.

Date: August 8, 2017	By:	/s/ Michael C. Keefe	
		Name:	Michael C. Keefe
		Title:	Executive Vice President, General Counsel and Secretary

Exhibit No.	Description
99.1	Press release issued by Mistras Group, Inc. on August 7, 2017
99.2	Press release issued by Mistras Group, Inc. on August 8, 2017

EXHIBIT 99.1

MISTRAS GROUP ANNOUNCES

CHANGES IN LEADERSHIP

PRINCETON JUNCTION, N.J. - AUGUST, 2017 - MISTRAS Group, Inc. (MG: NYSE) announced that its Board of Directors appointed Dennis Bertolotti as its President and Chief Executive Officer (CEO), effective August 10, 2017, succeeding MISTRAS founder and Chairman, Dr. Sotirios Vahaviolos. Dr. Vahaviolos will remain active in the business as Executive Chairman, focusing on strategy and technology, and will continue to lead the Board of Directors. Mr. Bertolotti has also been elected to serve on the MISTRAS Board of Directors commencing August 10, 2017.

Mr. Bertolotti joined MISTRAS in 2003, when MISTRAS acquired Conam Inspection, where Bertolotti served as a Vice President, and has served in various leadership and executive roles since then, including President of the MISTRAS Services segment and most recently serving as President and Chief Operating Officer of MISTRAS Group. Mr. Bertolotti has over 30 years of experience in the inspection and non-destructive testing industry, and prior to moving into management and executive positions, held several high-level certifications from the American Society for Nondestructive Testing and the American Petroleum Institute.

The MISTRAS Board also elevated Jonathan Wolk to the position of Senior Executive Vice President and Chief Operating Officer, also effective August 10. Mr. Wolk will continue serving as the Company's Chief Financial Officer (CFO) until a new CFO is appointed.

Mr. Wolk joined MISTRAS as Executive Vice President and CFO in November 2013 and became Senior Executive Vice President in 2016. Prior to joining MISTRAS, Mr. Wolk served as Senior Vice President and CFO for American Woodmark for almost 10 years, and served in various executive and management positions before then.

Dr. Vahaviolos stated that, "The appointment of Dennis Bertolotti as CEO is part of a succession plan that the Board and I have been working on for several years. Dennis has proven he is well-suited to take on the role of CEO. The past few years have been very challenging for the inspection and asset integrity industry, particularly in the oil and gas sector. Dennis' leadership, knowledge of MISTRAS' business, operations and industry, and his strategic vision are key reasons MISTRAS has remained profitable during these difficult times. MISTRAS and its shareholders are fortunate to have someone as talented as Dennis as our new CEO and I look forward to continuing to work closely with him."

Dr. Vahaviolos added, "Jon Wolk has done an excellent job in his four years at MISTRAS to improve financial and operating performance and profitability, continue to strengthen our balance sheet, and make our operations and processes much more efficient and cost-effective. Jon has been a great addition to our leadership team from the first day he joined MISTRAS, and like Dennis, has demonstrated the ability to lead and succeed during challenging times in our industry."

Mr. Bertolotti added, "I am honored to have been selected by Sotirios and the Board to succeed Sotirios, who founded MISTRAS nearly 40 years ago and has led the Company from its founding to the successful public company it is today. Sotirios has been an incredible mentor to me and to our entire team. Our success to date is a reflection of his vision and persistence to always put the Company and its customers first and I will continue to follow his example." Bertolotti added, "With the support of Sotirios, Jon and the rest of the MISTRAS leadership team, I look forward to continuing to build on our mission of being the leading one source provider for asset protection solutions, not only non-destructive testing, but also for mechanical, engineering, software and other value-added services and products."

About MISTRAS Group, Inc.

MISTRAS is a leading "one source" global provider of technology-enabled asset protection solutions used to evaluate the structural integrity of critical energy, industrial and public infrastructure. Mission critical services and solutions are delivered globally and provide customers with asset life extension, improved productivity and profitability, compliance with government safety and environmental regulations, and enhanced risk management operational decisions.

MISTRAS uniquely combines its industry-leading products and technologies - 24/7 on-line monitoring of critical assets; mechanical integrity (MI) and non-destructive testing (NDT) services; destructive testing (DT) services; process and fixed asset engineering and consulting services; and its world class enterprise inspection data management and analysis software (PCMS™) to provide comprehensive and competitive products, systems and services solutions from a single source provider.

For more information, please visit the company's website at http://www.MISTRASgroup.com or contact Nestor S. Makarigakis, Group Director, Marketing Communications at marcom@MISTRASgroup.com.

Exhibit 99.2

Mistras Group Announces Second Quarter Results

MISTRAS Group, Inc. August 8, 2017 4:01 PM

PRINCETON JUNCTION, N.J., August 8, 2017 (GLOBE NEWSWIRE) - Mistras Group, Inc. (MG: NYSE), a leading "one source" global provider of technology-enabled asset protection solutions, reported financial results for its second quarter ended June 30, 2017.

Revenues for the second quarter of 2017 were $170.4 million, 4% lower than in the prior year's second quarter. Second quarter 2017 net income was $2.2 million or $0.07 per diluted share, versus $2.8 million or $0.09 per diluted share in the prior year. 2017 results included special charges primarily related to closing a handful of small labs which reduced net income by $0.4 million, net of tax, or $0.02 per share. 2016 results included net-of-tax charges of $4.1 million or $0.14 per diluted share that primarily pertained to a legal settlement. Exclusive of these special charges, 2017 second quarter net income and earnings per diluted share, net of tax, were $2.6 million and $0.09 per diluted share, compared with the prior year's $6.8 million and $0.23 per diluted share.

The Company generated $23.0 million of cash from operating activities and $12.5 million of free cash flow during the first six months of 2017, both amounts reduced by a $6.3 million payment of a prior year legal settlement. The Company used $4.5 million of its free cash flow for an acquisition and $12 million to repurchase common stock. The Company's net debt (total debt less cash) of $90 million at June 30, 2017 was approximately 1.3x Adjusted EBITDA.

Adjusted EBITDA for the second quarter of 2017 was $16 million, compared with $21 million in the comparable period of the prior year. Performance by segment was as follows:

Services segment Q2 operating income improved $4.8 million, or 65% over prior year. Services Q2 2017 operating income was reduced $0.6 million primarily by costs to close a handful of small labs. Services Q2 2016 operating income was reduced $6.0 million primarily related to a prior year legal settlement. Excluding these special items, Services Q2 2017 operating income declined $0.6 million or 5% versus prior year, on revenues that declined 2%. During Q2 Services results began to improve versus prior year. Excluding the impact of one challenged region in which market difficulties continued to cause a year-on-year decline, Services Q2 revenues were flat and operating income excluding special items improved year-on-year by 20%.

International segment Q2 operating income declined $2.6 million below prior year, on revenues that declined by $2.5 million, or 7%. Unlike Q1, where the Company experienced organic revenue growth and improved profits in Germany, France and Brazil, Q2 saw revenue and profit declines in Germany, the UK and to a lesser extent in France. German results were adversely impacted by the timing of sales volumes, while UK results have suffered in the first and second quarters of 2017 due primarily to the timing of customer projects.

Products and Systems segment Q2 operating income declined by $0.8 million driven by a $1.4 million revenue decline.

Dennis Bertolotti, incoming Chief Executive Officer stated, "I am pleased with the performance of our Services segment. Although spring 2017 market conditions were challenging as expected in North America, our Services results have been resilient, realizing year-on-year revenue and profit gains with the exception of one challenged region. We remain optimistic that the market for North American nondestructive testing services will show modest year-on-year improvement this fall compared with the prior year's unusually low spending levels."

Mr. Bertolotti added: "We are working aggressively to position the Company for its next phase of growth. We have implemented a three-pronged plan to drive results, as follows:

1. **Restructuring.** In addition to our just-announced management transition at the senior level, we are also transitioning the leadership of the Services segment, elevating four of our top managers to regional leadership positions, and transitioning leadership of our German subsidiary. These changes will drive more accountability, ownership and focus.
2. **Investment.** As the third quarter commenced, we made an important acquisition of a Canadian company that performs mechanical services. We are excited about this business and this team, which we will utilize to drive organic growth throughout Canada and the United States. In addition, we hired a manager to add to our capabilities to proactively target and consummate acquisitions and are hiring a new executive to lead our sales function.
3. **Cost Reduction.** I am challenging each of our new leaders to drive more business and to reduce costs. We are targeting a global annual cost reduction of $5 million which we expect to implement during the next three months.

Mr. Bertolotti concluded, stating "In addition to these initiatives, we are actively quoting new business and using this time to position Mistras to drive incrementally more value for our customers, and to make investments that will reignite our profitable growth in 2018 and beyond."

Updated Guidance for 2017

The market for North American inspection services was in line with Company expectations in the first half of 2017. Customer feedback continues to indicate the market is poised for a modest pick up in the second half of 2017. Services segment first half results were in line with Company expectations and are expected to improve over prior year in the second half of the calendar year. The international segment's second quarter earnings were below our expectations and are now expected to fall short of prior year operating profit by approximately $6 million. Because of this expected shortfall, the Company is reducing its expected EBITDA forecast to a range of $66 million to $70 million for calendar 2017. Correspondingly, the Company expects its net income to be in a range of from $13 million to $15 million, and its earnings per diluted share to range from $0.42 to $0.52.

Conference Call

In connection with this release, Mistras will hold a conference call on August 9, 2017 at 9:00 a.m. (Eastern). The call will be broadcast over the Web and can be accessed on Mistras' Website, www.mistrasgroup.com. Individuals in the U.S. wishing to participate in the conference call by phone may call 1-844-832-7227 and use confirmation code 61105205 when prompted. The International dial-in number is 1-224-633-1529.

About Mistras Group, Inc.

Mistras offers one of the broadest "one source" services and technology-enabled asset protection solution portfolios in the industry used to evaluate the structural integrity of energy, industrial and public infrastructure. Mission critical services and solutions are delivered globally and provide customers with the ability to extend the useful life of their assets, improve productivity and profitability, comply with government safety and environmental regulations and enhance risk management operational decisions.

Mistras uniquely combines its industry leading products and technologies - 24/7 on-line monitoring of critical assets; mechanical integrity ("MI") and non-destructive testing ("NDT") services; destructive testing services; and its proprietary world class data warehousing and analysis software - to provide comprehensive and competitive products, systems and services solutions from a single source provider.

For more information, please visit the company's website at www.mistrasgroup.com.

Forward-Looking and Cautionary Statements

Certain statements made in this press release are "forward-looking statements" about Mistras' financial results and estimates, products and services, business model, strategy, growth opportunities, profitability and competitive position, and other matters. These forward-looking statements generally use words such as "future," "possible," "potential," "targeted," "anticipate," "believe," "estimate," "expect," "intend," "plan," "predict," "project," "will," "may," "should," "could," "would" and other similar words and phrases. Such statements are not guarantees of future performance or results, and will not necessarily be accurate indications of the times at, or by which, such performance or results will be achieved, if at all. These statements are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in these statements. A list, description and discussion of these and other risks and uncertainties can be found in the "Risk Factors" section of the Company's Transition Report on Form 10-K filed with the Securities and Exchange Commission on March 20, 2017, as updated by our reports on Form 10-Q and Form 8-K. The forward-looking statements are made as of the date hereof, and Mistras undertakes no obligation to update such statements as a result of new information, future events or otherwise.

Use of Non-GAAP Measures

In addition to financial information prepared in accordance with generally accepted accounting principles in the U.S. (GAAP), this press release also contains adjusted financial measures that we believe provide investors and management with supplemental information relating to operating performance and trends that facilitate comparisons between periods and with respect to projected information. The term "Adjusted EBITDA" used in this release is a financial measurement not calculated in accordance with GAAP and is defined as net income attributable to Mistras Group, Inc. plus: interest expense, provision for income taxes, depreciation and amortization, share-based compensation expense and certain acquisition related costs (including transaction due diligence costs and adjustments to the fair value of contingent consideration), foreign exchange (gain) loss and, if applicable, certain special items which are noted. A Reconciliation of Adjusted EBITDA to a financial measurement under GAAP is set forth in a table attached to this press release. In addition, the Company has also included in the attached tables non-GAAP measurement" “Segment and Total Company Income (Loss) Before Special Items”, reconciling these measurements to financial measurements under GAAP. The Company uses the term “free cash flow”, a non-GAAP measurement the Company defines as cash provided by operating activities less capital expenditures (which is classified as an investing activity). The Company also uses the term “net debt”, a non-GAAP measurement defined as the sum of the current and long-term portions of long-term debt and capital lease obligations, less cash and cash equivalents.

Mistras Group, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

	(unaudited) June 30, 2017	December 31, 2016
ASSETS		
Current Assets		
Cash and cash equivalents	$ 26,784	$ 19,154
Accounts receivable, net	129,221	130,852
Inventories	10,949	10,017
Deferred income taxes	—	6,230
Prepaid expenses and other current assets	16,526	16,399
Total current assets	183,480	182,652
Property, plant and equipment, net	76,218	73,149
Intangible assets, net	40,503	40,007
Goodwill	176,231	169,940
Deferred income taxes	2,085	1,086
Other assets	2,710	2,593
Total assets	$ 481,227	$ 469,427
LIABILITIES AND EQUITY		
Current Liabilities		
Accounts payable	$ 9,342	$ 6,805
Accrued expenses and other current liabilities	56,841	58,697
Current portion of long-term debt	2,116	1,379
Current portion of capital lease obligations	6,386	6,488
Income taxes payable	3,814	4,342
Total current liabilities	78,499	77,711
Long-term debt, net of current portion	99,544	85,917
Obligations under capital leases, net of current portion	8,919	9,682
Deferred income taxes	12,859	17,584
Other long-term liabilities	8,157	7,789
Total liabilities	207,978	198,683
Commitments and contingencies		
Equity		
Preferred stock, 10,000,000 shares authorized	—	—
Common stock, $0.01 par value, 200,000,000 shares authorized, 29,306,510 and 29,216,745 shares issued	293	292
Additional paid-in capital	220,305	217,211
Treasury stock, at cost, 960,882 and 420,258 shares	(21,000)	(9,000)
Retained earnings	95,712	91,803
Accumulated other comprehensive loss	(22,232)	(29,724)
Total Mistras Group, Inc. stockholders’ equity	273,078	270,582
Noncontrolling interests	171	162
Total equity	273,249	270,744
Total liabilities and equity	$ 481,227	$ 469,427

Mistras Group, Inc. and Subsidiaries
Unaudited Condensed Consolidated Statements of Income
(in thousands, except per share data)

	Three months ended		Six months ended	
	June 30, 2017	June 30, 2016	June 30, 2017	June 30, 2016
Revenue	$ 170,439	$ 178,340	$ 333,757	$ 345,795
Cost of revenue	118,825	121,044	233,828	239,273
Depreciation	5,271	5,761	10,433	11,017
Gross profit	46,343	51,535	89,496	95,505
Selling, general and administrative expenses	37,973	37,217	75,273	72,271
Research and engineering	552	623	1,195	1,285
Depreciation and amortization	2,613	2,865	5,116	5,627
Legal settlement	—	6,320	—	6,320
Acquisition-related expense (benefit), net	202	(330)	(341)	(483)
Income from operations	5,003	4,840	8,253	10,485
Interest expense	1,015	340	2,033	1,440
Income before provision for income taxes	3,988	4,500	6,220	9,045
Provision for income taxes	1,770	1,737	2,304	2,825
Net income	2,218	2,763	3,916	6,220
Less: net income attributable to non-controlling interests, net of taxes	1	2	7	12
Net income attributable to Mistras Group, Inc.	$ 2,217	$ 2,761	$ 3,909	$ 6,208
Earnings per common share				
Basic	$ 0.08	$ 0.10	$ 0.14	$ 0.21
Diluted	$ 0.07	$ 0.09	$ 0.13	$ 0.21
Weighted average common shares outstanding:				
Basic	28,437	28,932	28,562	28,924
Diluted	29,599	30,152	29,754	30,083

Mistras Group, Inc. and Subsidiaries
Unaudited Operating Data by Segment
(in thousands)

	Three months ended June 30,		Six months ended June 30,	
	2017	**2016**	**2017**	**2016**
Revenues				
Services	$ 134,043	$ 136,358	$ 260,372	$ 267,936
International	33,904	36,373	68,160	67,353
Products and Systems	5,107	6,467	10,657	13,148
Corporate and eliminations	(2,615)	(858)	(5,432)	(2,642)
	$ 170,439	$ 178,340	$ 333,757	$ 345,795

	Three months ended June 30,		Six months ended June 30,	
	2017	**2016**	**2017**	**2016**
Gross profit				
Services	$ 35,490	$ 36,490	$ 65,703	$ 68,948
International	8,828	11,867	19,288	20,540
Products and Systems	1,966	3,050	4,560	5,789
Corporate and eliminations	59	128	(55)	228
	$ 46,343	$ 51,535	$ 89,496	$ 95,505

Mistras Group, Inc. and Subsidiaries
Unaudited Reconciliation of
Segment and Total Company Income from Operations (GAAP) to Income before Special Items (non-GAAP)
(in thousands)

	Three months ended June 30, 2017	Three months ended June 30, 2016	Six months ended June 30, 2017	Six months ended June 30, 2016
Services:				
Income from operations	$ 12,132	$ 7,372	$ 19,513	$ 18,711
Legal settlement	—	6,320	—	6,320
Bad debt provision for a customer bankruptcy	—	—	1,200	—
Severance costs	314	—	330	—
Asset write-offs and lease terminations	123	—	123	—
Acquisition-related expense (benefit), net	201	(295)	78	(468)
Income before special items	12,770	13,397	21,244	24,563
International:				
(Loss) income from operations	(190)	2,454	2,843	3,174
Severance costs	63	645	76	710
Acquisition-related expense (benefit), net	—	(83)	(501)	(63)
(Loss) income before special items	(127)	3,016	2,418	3,821
Products and Systems:				
Loss from operations	(892)	(114)	(1,340)	(246)
Severance costs	—	28	—	17
Acquisition-related expense (benefit), net	—	—	—	—
Loss before special items	(892)	(86)	(1,340)	(229)
Corporate and Eliminations:				
Loss from operations	(6,047)	(4,872)	(12,763)	(11,154)
Severance costs	—	—	—	—
Acquisition-related expense (benefit), net	1	48	82	48
Loss before special items	(6,046)	(4,824)	(12,681)	(11,106)
Total Company				
Income from operations	$ 5,003	$ 4,840	$ 8,253	$ 10,485
Legal settlement	—	6,320	—	6,320
Bad debt provision for a customer bankruptcy	—	—	1,200	—
Severance costs	377	673	406	727
Asset write-offs and lease terminations	123	—	123	—
Acquisition-related expense (benefit), net	202	(330)	(341)	(483)
Income before special items	$ 5,705	$ 11,503	$ 9,641	$ 17,049

Mistras Group, Inc. and Subsidiaries
Unaudited Summary Cash Flow Information
(in thousands)

	Six months ended June 30,	
	2017	2016
Net cash provided by (used in):		
Operating activities	$ 22,972	$ 37,778
Investing activities	(14,218)	(7,368)
Financing activities	(2,726)	(21,951)
Effect of exchange rate changes on cash	1,602	384
Net change in cash and cash equivalents	$ 7,630	$ 8,843

Mistras Group, Inc. and Subsidiaries
Reconciliation of Net Cash Provided by Operating Activities (GAAP) to Free Cash Flow (non-GAAP)
(in thousands)

	Six months ended June 30, 2017
GAAP: Net cash provided by operating activities	$ 22,972
Less:	
Purchases of property, plant and equipment	(9,789)
Purchases of intangible assets	(688)
non-GAAP: Free cash flow	$ 12,495

Mistras Group, Inc. and Subsidiaries
Unaudited Reconciliation of
Net Income to Adjusted EBITDA
(in thousands)

	Three months ended	
	June 30, 2017	June 30, 2016
Net income	$ 2,218	$ 2,763
Less: net income attributable to noncontrolling interests, net of taxes	1	2
Net income attributable to Mistras Group, Inc.	$ 2,217	$ 2,761
Interest expense	1,015	340
Provision for income taxes	1,770	1,737
Depreciation and amortization	7,884	8,626
Share-based compensation expense	1,697	1,466
Legal settlement	—	6,320
Acquisition-related expense (benefit), net	202	(330)
Severance	377	673
Asset write-offs and lease terminations	123	—
Foreign exchange (gain) loss	349	(237)
Adjusted EBITDA	$ 15,634	$ 21,356

Mistras Group, Inc. and Subsidiaries
Unaudited Reconciliation of
Net Income (GAAP) and Diluted EPS (GAAP) to Net Income Excluding Special Items (non-GAAP)
and Diluted EPS Excluding Special Items (non-GAAP)
(in thousands)

	Three months ended June 30,	
	2017	**2016**
Net income (GAAP)	$ 2,217	$ 2,761
Special items, net of tax	396	4,056
Net Income Excluding Special Items (non-GAAP)	$ 2,613	$ 6,817
Diluted EPS (GAAP)	$ 0.07	$ 0.09
Special items	0.02	0.14
Diluted EPS Excluding Special Items (non-GAAP)	$ 0.09	$ 0.23