

WILLBROS GROUP INC  
Form 10-Q/A  
September 25, 2006  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D. C. 20549

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**FORM 10-Q/A**

(Amendment No. 1)

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(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2006

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 1-11953

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**Willbros Group, Inc.**

(Exact name of registrant as specified in its charter)

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Republic of Panama  
(Jurisdiction of incorporation)

Plaza 2000 Building

50th Street, 8th Floor

98-0160660  
(I.R.S. Employer Identification Number)

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P.O. Box 0816-01098

Panama, Republic of Panama

Telephone No.: +50-7-213-0947

(Address, including zip code, and telephone number, including  
area code, of principal executive offices of registrant)

NOT APPLICABLE

(Former name, former address and former fiscal year, if changed since last report)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of accelerated filer and large accelerated filer in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer  Accelerated Filer  Non-Accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes  No

The number of shares of the registrant's Common Stock, .05 par value, outstanding as of August 1, 2006 was 21,787,112.

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**WILLBROS GROUP, INC.**

**FORM 10-Q/A**

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**EXPLANATORY NOTE**

This Amendment No. 1 on Form 10-Q/A (this Amendment) amends our Quarterly Report on Form 10-Q (the Original Quarterly Report) for the quarter ended June 30, 2006, which was originally filed with the Securities and Exchange Commission on August 9, 2006. We are filing this Amendment to enhance our disclosure regarding our controls and procedures and the material weaknesses in our internal controls over financial reporting referred to in Part I, Item 4 of the Original Quarterly Report. In particular, our Item 4 discussion included herein has been revised to state more clearly that changes were made to our internal control over financial reporting during the quarter ended June 30, 2006 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, and to describe those changes.

We have included as exhibits to this Amendment new certifications of our chief executive officer and chief financial officer.

Except as described above, no attempt has been made in this Amendment to modify or update other disclosures presented in the Original Quarterly Report. This Amendment does not reflect events occurring after the filing of the Original Quarterly Report or modify or update those disclosures affected by subsequent events. Accordingly, this Amendment should be read in conjunction with our filings with the SEC subsequent to the filing of the Original Quarterly Report, including any amendments to those filings.

**PART I. FINANCIAL INFORMATION**

**ITEM 4. CONTROLS AND PROCEDURES**

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934) as of June 30, 2006. Based on this evaluation, our management, including our Chief Executive Officer and Chief Financial Officer, concluded that, as of June 30, 2006, the disclosure controls and procedures are not effective in alerting them on a timely basis to material information required to be included in our periodic filings with the Securities and Exchange Commission.

Company management with oversight from the Audit Committee has devoted substantial effort to the remediation of the material weakness related to the Company's financial statement close process. This material weakness resulted in delays in our ability to timely close our books and records during 2005. Such delays in closing the books and records are at least in part a contributing factor to the delays we have experienced in filing our quarterly and annual financial statements with the SEC. This material weakness resulted primarily from insufficient staffing of qualified accounting personnel. Additionally, management identified a material weakness related to controls over the project reporting used in the accounting process. Cost estimates were not routinely updated to reflect current information and insufficient measures were taken to independently verify uniform and reliable cost estimates. Generally, our material weaknesses related to insufficient performance of existing controls rather than incorrect design of controls.

During the quarter ended June 30, 2006 the Company implemented the following material changes in its internal control over financial reporting that have materially improved, or are reasonably likely to materially improve, our internal control over financial reporting:

hired additional senior accounting personnel at the corporate administrative offices;

initiated efforts to develop more standardized and timely project management reporting and management review processes through documentation;

recruited candidates in order to expeditiously fill vacancies in our accounting, finance, and project management functions;

continued to increase our supervision of accounting personnel; and

continued our review and monitoring of the accounting department structure and organization, both in terms of size and expertise.

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We believe the implemented and planned improvements to our internal control over financial reporting and our disclosure controls and procedures will be adequate to provide reasonable assurance that the

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information required to be disclosed in our Exchange Act reports is properly recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, as appropriate, to allow timely decisions regarding required disclosures. Specifically, we believe the additional accounting personnel, and in particular, additional supervisory personnel, will allow us to ensure that all control procedures related to closing our books and preparing financial statements, such as reconciliations and analyses, are properly performed and reviewed. The additional supervisory personnel in the project accounting area will allow us to continue to improve our review of monthly project results and estimates prior to closing the books and preparing the financial statements. The reorganization of our accounting department structure will continue to provide for additional supervision of Nigerian project accounting personnel. Finally, we have provided accounting personnel with training in Sarbanes Oxley controls documentation and information systems use, which has helped improve internal control awareness and compliance.

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**PART II. OTHER INFORMATION**

**ITEM 6. EXHIBITS**

The following documents are included as exhibits to this Form 10-Q/A.

<b>Exhibit Number</b>	<b>Description</b>
10.1	Amendment No. 1 to Employment Agreement dated June 1, 2006, between Willbros USA, Inc. and Robert R. Harl (filed as Exhibit 10.1 to our current report on Form 8-K dated June 16, 2006, filed June 22, 2006).
31.1**	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2**	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes- Oxley Act of 2002.
32.1*	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

\* Filed as an Exhibit to our original report on Form 10-Q for the quarter ended June 30, 2006, filed August 9, 2006.

\*\* Filed herewith.

**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 thereunto duly authorized.

WILLBROS GROUP, INC.

Date: September 25, 2006

By: /s/ Van A. Welch  
Van A. Welch  
Senior Vice President, Chief Financial Officer and Treasurer  
(Principal Financial Officer and Principal Accounting Officer)

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