

HALLIBURTON CO
Form 10-Q
April 27, 2018
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

Quarterly Report Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934
For the quarterly period ended March 31, 2018

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 001-03492

HALLIBURTON COMPANY

(a Delaware corporation)
75-2677995

3000 North Sam Houston Parkway East
Houston, Texas 77032
(Address of Principal Executive Offices)

Telephone Number – Area Code (281) 871-2699

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.

YesNo

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YesNo

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the

Exchange Act.

Yes[]No[]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes[]No[X]

As of April 20, 2018, there were 875,976,391 shares of Halliburton Company common stock, \$2.50 par value per share, outstanding.

HALLIBURTON COMPANY

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HALLIBURTON COMPANY

Condensed Consolidated Statements of Operations
(Unaudited)

	Three Months Ended March 31	
Millions of dollars and shares except per share data	2018	2017
Revenue:		
Services	\$4,388	\$3,151
Product sales	1,352	1,128
Total revenue	5,740	4,279
Operating costs and expenses:		
Cost of services	4,007	3,103
Cost of sales	1,056	918
General and administrative	58	55
Impairments and other charges	265	—
Total operating costs and expenses	5,386	4,076
Operating income	354	203
Interest expense, net of interest income of \$10 and \$23	(140)	(242)
Other, net	(25)	(18)
Income (loss) from continuing operations before income taxes	189	(57)
Income tax (provision) benefit	(142)	25
Net income (loss)	\$47	\$(32)
Net income attributable to noncontrolling interest	(1)	—
Net income (loss) attributable to company	\$46	\$(32)
Basic and diluted net income (loss) per share	\$0.05	\$(0.04)
Basic weighted average common shares outstanding	875	867
Diluted weighted average common shares outstanding	878	867
Cash dividends per share	\$0.18	\$0.18

See notes to condensed consolidated financial statements.

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HALLIBURTON COMPANY

Condensed Consolidated Statements of Comprehensive Income
(Unaudited)

	Three Months Ended March 31
Millions of dollars	2018 2017
Net income (loss)	\$47 \$(32)
Other comprehensive income (loss), net of income taxes	(2)2
Comprehensive income (loss)	\$45 \$(30)
Comprehensive income attributable to noncontrolling interest	(1)—
Comprehensive income (loss) attributable to company shareholders	\$44 \$(30)
See notes to condensed consolidated financial statements.	

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HALLIBURTON COMPANY
Condensed Consolidated Balance Sheets
(Unaudited)

Millions of dollars and shares except per share data	March 31,	December 31,
	2018	2017
Assets		
Current assets:		
Cash and equivalents	\$ 2,332	\$ 2,337
Receivables (net of allowances for bad debts of \$809 and \$725)	5,255	5,036
Inventories	2,458	2,396
Other current assets	990	1,008
Total current assets	11,035	10,777
Property, plant and equipment (net of accumulated depreciation of \$12,232 and \$12,249)	8,596	8,521
Goodwill	2,707	2,693
Deferred income taxes	1,227	1,230
Other assets	1,626	1,864
Total assets	\$ 25,191	\$ 25,085
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable	\$ 2,830	\$ 2,554
Accrued employee compensation and benefits	647	746
Short-term borrowings and current maturities of long-term debt	466	512
Other current liabilities	1,026	1,050
Total current liabilities	4,969	4,862
Long-term debt	10,428	10,430
Employee compensation and benefits	588	609
Other liabilities	815	835
Total liabilities	16,800	16,736
Shareholders' equity:		
Common shares, par value \$2.50 per share (authorized 2,000 shares, issued 1,069 and 1,069 shares)	2,672	2,673
Paid-in capital in excess of par value	222	207
Accumulated other comprehensive loss	(471)	(469)
Retained earnings	12,586	12,668
Treasury stock, at cost (194 and 196 shares)	(6,644)	(6,757)
Company shareholders' equity	8,365	8,322
Noncontrolling interest in consolidated subsidiaries	26	