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ATWOOD OCEANICS INC
Form 8-K
April 28, 2004

=====

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 EARLIEST EVENT REPORTED: April 28, 2004

ATWOOD OCEANICS, INC.
(Exact name of registrant as specified in its charter)

COMMISSION FILE NUMBER 1-13167

TEXAS
(State or other jurisdiction of
incorporation or organization)

74-1611874
(I.R.S. Employer Identification No.)

15835 Park Ten Place Drive
Houston, Texas
(Address of principal executive offices)

77084
(Zip Code)

Registrant's telephone number, including area code:
281-749-7800
N/A

(Former name or former address, if changed since last report.)
=====

ITEM 7. EXHIBITS

- EXHIBIT 99.1 PRESS RELEASE DATED APRIL 28, 2004
- EXHIBIT 99.2 CONSOLIDATED STATEMENT OF OPERATIONS FOR THE THREE MONTHS AND SIX MONTHS ENDED MARCH 31, 2004 AND 2003
- EXHIBIT 99.3 ANALYSIS OF CONTRACT REVENUES AND DRILLING COSTS FOR THE THREE MONTHS AND SIX MONTHS ENDED MARCH 31, 2004
- EXHIBIT 99.4 CONSOLIDATED BALANCE SHEETS AT MARCH 31, 2004 AND SEPTEMBER 30, 2003
- EXHIBIT 99.5 CONTRACT STATUS SUMMARY AT APRIL 28, 2004

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ITEM 9. REGULATION FD DISCLOSURE

On April 28, 2004, the Company announced its earnings for the Fiscal Year 2004 Second Quarter ended March 31, 2004. A copy of the press release summarizing these earnings is filed with this Form 8-K as exhibit 99.1 and is incorporated herein by reference.

Additional information with respect to the Company's Consolidated Statements of Operations for the three months and six months ended March 31, 2004 and 2003, an analysis of Contract Revenues and Drilling Costs for the three months and six months ended March 31, 2004, Consolidated Balance Sheets at March 31, 2004 and September 30, 2003 and Contract Status Summary at April 28, 2004 are attached hereto as Exhibits 99.2, 99.3, 99.4 and 99.5, respectively, which are being furnished in accordance with rule 101 (e) (1) under Regulation FD and should not be deemed to be filed.

Statements contained in this report with respect to the future are forward-looking statements. These statements reflect management's reasonable judgment with respect to future events. Forward-looking statements involve risks and uncertainties. Actual results could differ materially from those anticipated as a result of various factors; the Company's dependence on the oil and gas industry; the risks involved the construction of a rig; competition; operating risks; risks involved in foreign operations; risks associated with possible disruption in operations due to terrorism; risks associated with a possible disruption in operations due to a war with Iraq; and governmental regulations and environmental matters. A list of additional risk factors can be found in the Company' annual report on Form 10-K for the year ended September 30, 2003, filed with the Securities and Exchange Commission.

SIGNATURES

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.

ATWOOD OCEANICS, INC.
(Registrant)

/s/ James M. Holland
James M. Holland
Senior Vice President

DATE: April 28, 2004

EXHIBIT INDEX

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| EXHIBIT NO. | DESCRIPTION |
|-------------|---|
| 99.1 | Press Release dated April 28, 2004 |
| 99.2 | Consolidated Statements of Operations for the Three Months and Six Months ended March 31, 2004 and 2003 |
| 99.3 | Analysis of Contract Revenues and Drilling Costs for the Three Months and Six Months ended March 31, 2004 |
| 99.4 | Consolidated Balance Sheets at March 31, 2004 and September 30, 2003 |
| 99.5 | Contract Status Summary at April 28, 2004 |

EXHIBIT 99.1

Houston, Texas
28 April 2004

FOR IMMEDIATE RELEASE

Atwood Oceanics, Inc., Houston-based International Drilling Contractor, announced today that the Company earned net income of \$462,000 or \$.03 per diluted share, on contract revenues of \$36,810,000 for the quarter ended March 31, 2004, compared to net income of \$587,000 or \$.04 per diluted share on contract revenues of \$35,073,000 for the quarter ended March 31, 2003. For the six months ended March 31, 2004, the Company incurred a net loss of (\$1,442,000) or \$(-.10) per diluted share, on contract revenues of \$72,135,000 compared to net income of \$1,537,000 or \$.11 per diluted share, on contract revenues of \$64,914,000 for the six months ended March 31, 2003.

| | FOR THE THREE MONTHS ENDED MARCH 31, 2004 | 2003 |
|-----------------------------|--|--------------|
| | ----- | ----- |
| Contract Revenues | \$36,810,000 | \$35,073,000 |
| | ===== | ===== |
| Income before Income Taxes | 2,235,000 | 1,428,000 |
| Provision for Income Taxes | (1,773,000) | (841,000) |
| | ----- | ----- |
| Net Income | 462,000 | 587,000 |
| | ===== | ===== |
| Earnings per Common Share - | | |
| Basic | .03 | .04 |
| Diluted | .03 | .04 |
| Weighted Average Shares | | |
| Outstanding - | | |
| Basic | 13,855,000 | 13,845,000 |
| Diluted | 14,019,000 | 13,900,000 |

| | FOR THE SIX MONTHS ENDED MARCH 31, 2004 | 2003 |
|--|--|-------|
| | ----- | ----- |

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| | | |
|-----------------------------|--------------|--------------|
| Contract Revenues | \$72,135,000 | \$64,914,000 |
| | ===== | ===== |
| Income before Income Taxes | 2,171,000 | 3,802,000 |
| Provision for Income Taxes | (3,613,000) | (2,265,000) |
| | ----- | ----- |
| Net Income | (1,442,000) | 1,537,000 |
| | ===== | ===== |
| Earnings per Common Share - | | |
| Basic | (.10) | .11 |
| Diluted | (.10) | .11 |
| Weighted Average Shares | | |
| Outstanding - | | |
| Basic | 13,855,000 | 13,846,000 |
| Diluted | 13,855,000 | 13,903,000 |

Contact: Jim Holland
(281) 749-7804

EXHIBIT 99.2

ATWOOD OCEANICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

| | Three Months Ended March 31, | | Six Months March 3 |
|----------------------------|---------------------------------|-------------|-----------------------|
| | 2004 | 2003 | 2004 |
| | ----- | ----- | ----- |
| | (Unaudited) | (Unaudited) | (Unaudited) |
| REVENUES: | | | |
| Contract drilling | \$36,810 | \$ 35,073 | \$72,135 |
| | ----- | ----- | ----- |
| COSTS AND EXPENSES: | | | |
| Contract drilling | 21,414 | 24,114 | 43,947 |
| Depreciation | 7,847 | 5,850 | 15,689 |
| General and administrative | 2,987 | 3,119 | 5,675 |
| | ----- | ----- | ----- |
| | 32,248 | 33,083 | 65,311 |
| | ----- | ----- | ----- |
| OPERATING INCOME | 4,562 | 1,990 | 6,824 |
| | ----- | ----- | ----- |
| OTHER INCOME (EXPENSE) | | | |
| Interest expense | (2,334) | (598) | (4,668) |
| Interest income | 7 | 36 | 15 |
| | ----- | ----- | ----- |
| | (2,327) | (562) | (4,653) |
| | ----- | ----- | ----- |
| INCOME BEFORE INCOME TAXES | 2,235 | 1,428 | 2,171 |
| PROVISION FOR INCOME TAXES | 1,773 | 841 | 3,613 |

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| | | | | |
|---|-----------------|-----------------|---------------------|---------|
| NET INCOME | \$ 462 ===== | \$ 587 ===== | \$ (1,442) ===== | \$ = |
| EARNINGS PER SHARE | | | | |
| Basic | \$.03 | \$.04 | \$ (.10) | \$ |
| Dilute | \$.03 | \$.04 | \$ (.10) | \$ |
| WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING | | | | |
| Basic | 13,855 | 13,845 | 13,855 | |
| Diluted | 14,019 | 13,900 | 13,855 | |

EXHIBIT 99.3

ATWOOD OCEANICS, INC. AND SUBSIDIARIES
ANALYSIS OF CONTRACT REVENUES
AND DRILLING COSTS
(Unaudited)

FOR THE THREE MONTHS ENDED MARCH 31, 2004

| | CONTRACT DRILLING REVENUES ----- | CONTRACT DRILLING COSTS ----- |
|-----------------------|---|--|
| | (In Millions) | |
| ATWOOD FALCON | \$ 7.8 | \$ 3.8 |
| VICKSBURG | 6.3 | 2.2 |
| ATWOOD HUNTER | 5.8 | 2.9 |
| BEACON | 4.7 | 2.3 |
| SEAHAWK | 4.3 | 2.1 |
| ATWOOD EAGLE | 3.3 | 3.0 |
| RICHMOND | 2.3 | 2.0 |
| ATWOOD SOUTHERN CROSS | 1.8 | 2.4 |
| OTHER | 0.5 | 0.7 |
| | ----- \$36.8 ===== | ----- \$21.4 ===== |

FOR THE SIX MONTHS ENDED MARCH 31, 2004

| | CONTRACT DRILLING REVENUES ----- | CONTRACT DRILLING COSTS ----- |
|---------------|---|--|
| | (In Millions) | |
| ATWOOD FALCON | \$13.8 | \$ 6.2 |

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| | | |
|-----------------------|--------|--------|
| VICKSBURG | 12.2 | 4.4 |
| SEAHAWK | 9.5 | 4.2 |
| BEACON | 9.1 | 4.5 |
| ATWOOD HUNTER | 8.4 | 5.8 |
| ATWOOD EAGLE | 8.0 | 6.8 |
| ATWOOD SOUTHERN CROSS | 5.6 | 6.8 |
| RICHMOND | 4.5 | 3.9 |
| OTHER | 1.0 | 1.3 |
| | ----- | ----- |
| | \$72.1 | \$43.9 |
| | ===== | ===== |

EXHIBIT 99.4

ATWOOD OCEANICS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands)

| | Mar. 31, 2004 | SEP. |
|---|---------------|------|
| | (Unaudited) | |
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$10,369 | |
| Accounts receivable | 32,710 | |
| Income tax receivable | 3,278 | |
| Inventories of materials and supplies at lower of average cost or market | 12,359 | |
| Deferred tax assets | 550 | |
| Prepaid expenses and other | 8,280 | |
| | ----- | |
| Total Current Assets | 67,546 | |
| | ----- | |
| PROPERTY AND EQUIPMENT: | | |
| Drilling vessels, equipment and drill pipe | 631,540 | |
| Other | 9,079 | |
| | ----- | |
| | 640,619 | |
| Less-accumulated depreciation | 210,795 | |
| | ----- | |
| Net Property and Equipment | 429,824 | |
| | ----- | |
| DEFERRED COSTS AND OTHER ASSETS | 4,032 | |
| | ----- | |
| | \$501,402 | |
| | ===== | |
| LIABILITIES AND SHAREHOLDERS' | | |

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EQUITY

| | | |
|---|--|-----------|
| CURRENT LIABILITIES: | | |
| Current maturities of notes payable | | \$30,000 |
| Accounts payable | | 4,184 |
| Accrued liabilities | | 8,326 |
| Deferred credits | | 6,307 |
| | | ----- |
| Total Current Liabilities | | 48,817 |
| | | ----- |
| LONG-TERM NOTES PAYABLE, net of current maturities: | | |
| | | 163,000 |
| | | ----- |
| | | 163,000 |
| | | ----- |
| OTHER LONG TERM LIABILITIES | | |
| Deferred income taxes | | 20,468 |
| Deferred credits and other | | 7,041 |
| | | ----- |
| | | 27,509 |
| | | ----- |
| SHAREHOLDERS' EQUITY: | | |
| Preferred stock, no par value; 1,000,000 shares authorized, none outstanding | | 0 |
| Common stock, \$1 par value, 20,000,000 shares authorized with 13,857,000 issued and outstanding | | 13,857 |
| Paid-in capital | | 57,449 |
| Retained earnings | | 190,770 |
| | | ----- |
| Total Shareholders' Equity | | 262,076 |
| | | ----- |
| | | \$501,402 |
| | | ===== |

EXHIBIT 99.5
ATWOOD OCEANICS, INC. AND SUBSIDIARIES ATWOOD OCEANICS, INC. AND SUBSIDIARIES
CONTRACT STATUS SUMMARY
AT APRIL 28, 2004

| NAME OF RIG | LOCATION | CUSTOMER | CONTRACT STATUS |
|--------------------|----------|--|--|
| ----- | ----- | ----- | ----- |
| SEMISUBMERSIBLES - | | | |
| ----- | | | |
| ATWOOD FALCON | JAPAN | JAPAN ENERGY DEVELOPMENT CO. LTD. ("JED") | The rig is currently drilling two well contract with first second well should be completed Immediately upon completion will be moved to China to China Ltd. Additional work |

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| | | | |
|---|---------------------------------|--|--|
| ATWOOD HUNTER | EGYPT | BURULLUS GAS CO. ("BURULLUS") | in Southeast Asia to follow On December 31, 2003, the program for Burullus which plus options to drill six drilling of the ten firm around 400 days to complete wells are drilled, the cost approximately 550 days. |
| ATWOOD EAGLE | AUSTRALIA | APACHE ENERGY LIMITED ("APACHE") AND BHP BILLITON PETROLEUM PTY. LTD. ("BHP") | The rig is currently drilling now includes three firm wells first of three option wells three firm wells should be complete. |
| SEAHAWK | MALAYSIA | EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI") | EMEPMI has given written terminate the current contract in progress on June 29, 2004 being pursued in Southeast of the world. |
| ATWOOD SOUTHERN CROSS | MALAYSIA | MURPHY SARAWAK OIL COMPANY, LTD. ("MURPHY") | In March 2004 the rig completed program which includes three plus options to drill an Drilling of the two firm to 60 days to complete and drilled, the drilling program 150 to 180 days. |
| SEASCOUT | UNITED STATES GULF OF MEXICO | | The SEASCOUT was purchased conversion to a tender-as SEAHAWK. There are currently rig is currently coldstack |
| CANTILEVER JACK-UPS - ----- VICKSBURG | MALAYSIA | EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI") | In October 2002, the rig (with an option by EMEPMI The current contract will of drilling on the current early to mid May 2004). its current drilling program Thailand to commence a Dr Offshore (Thailand) Limited to take approximately five which time, the rig will whereby EMEPMI will reins EMEPMI drilling commitments five months suspension per twelve months, for a total commencing in November 20 to terminate the contract notice. |
| ATWOOD BEACON | MALAYSIA | PETRONAS CARIGALI SDN. BHD. ("PETRONAS") | The rig is drilling the s Petronas. This drilling until June 2004 to complete |

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SUBMERSIBLE -

RICHMOND

UNITED STATES
GULF OF MEXICO

BOIS D'ARC OFFSHORE LTD.
("BOIS")

for additional work follo
Petronas contract are bei
well as other areas outsi

In late March 2004, the r
program for Bois which is
approximately 90 days to
completion of the Bois co
a drilling program for He
which includes the drilli
options to drill four add
of the four firm wells is
to 150 days to complete a
are drilled, the contract
to 300 days.

MODULAR PLATFORMS -

GOODWYN 'A' /NORTH
RANKIN 'A'

AUSTRALIA

WOODSIDE ENERGY LTD.

There is currently an ind
drilling activity for the
managed by the Company.
maintenance of the two ri
programs.