

HORNBECK OFFSHORE SERVICES INC /LA  
Form 10-Q  
November 08, 2013  
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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 September 30, 2013

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 001-32108

Hornbeck Offshore Services, Inc.  
(Exact Name of Registrant as Specified in Its Charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)  
103 NORTHPARK BOULEVARD, SUITE 300  
COVINGTON, LA 70433  
(Address of Principal Executive Offices) (Zip Code)  
(985) 727-2000  
(Registrant's Telephone Number, Including Area Code)

72-1375844  
(I.R.S. Employer  
Identification Number)

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 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). Yes  No

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

Large accelerated filer  Non-accelerated filer

Accelerated filer  Smaller reporting company

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

The total number of shares of common stock, par value \$.01 per share, outstanding as of October 31, 2013 was 36,052,317.



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## PART 1—FINANCIAL INFORMATION

## Item 1—Financial Statements

## HORNBECK OFFSHORE SERVICES, INC. AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

(In thousands, except per share data)

	September 30, 2013 (Unaudited)	December 31, 2012
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$797,784	\$576,678
Accounts receivable, net of allowance for doubtful accounts of \$3,149 and \$3,028, respectively	88,132	103,265
Deferred tax assets, net	51,602	28,720
Other current assets	16,390	21,560
Current assets from discontinued operations	90	1,286
Total current assets	953,998	731,509
Property, plant and equipment, net	2,000,890	1,643,623
Deferred charges, net	76,797	69,492
Other assets	12,605	13,277
Long-term assets from discontinued operations	818	173,830
Total assets	\$3,045,108	\$2,631,731
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$53,997	\$48,286
Accrued interest	15,171	14,790
Accrued payroll and benefits	14,846	12,441
Deferred revenue	24,636	16,854
Current portion of long-term debt, net of original issue discount of \$1,139 and \$11,093, respectively	248,861	238,907
Other accrued liabilities	17,104	8,030
Current liabilities from discontinued operations	172	4,197
Total current liabilities	374,787	343,505
Long-term debt, net of original issue discount of \$63,177 and \$74,470, respectively	1,061,823	850,530
Deferred tax liabilities, net	334,070	270,478
Other liabilities	4,527	1,373
Total liabilities	1,775,207	1,465,886
Stockholders' equity:		
Preferred stock: \$0.01 par value; 5,000 shares authorized; no shares issued and outstanding	—	—
Common stock: \$0.01 par value; 100,000 shares authorized; 36,048 and 35,479 shares issued and outstanding, respectively	360	355
Additional paid-in-capital	720,874	705,658
Retained earnings	549,243	460,090
Accumulated other comprehensive loss	(576)	(258)
Total stockholders' equity	1,269,901	1,165,845
Total liabilities and stockholders' equity	\$3,045,108	\$2,631,731

The accompanying notes are an integral part of these consolidated statements.

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CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
	(Unaudited)		(Unaudited)	
Revenues	\$132,915	\$115,087	\$403,252	\$344,678
Costs and expenses:				
Operating expenses	59,180	59,922	174,175	168,250
Depreciation	13,854	13,000	40,498	39,005
Amortization	8,582	5,289	22,265	15,287
General and administrative expenses	14,114	12,191	40,433	33,750
	95,730	90,402	277,371	256,292
Gain (loss) on sale of assets	3	(357)	1,572	(360)
Operating income	37,188	24,328	127,453	88,026
Other income (expense):				
Loss on early extinguishment of debt	—	—	(25,776)	(6,048)
Interest income	681	524	1,926	1,538
Interest expense	(11,708)	(14,697)	(38,672)	(42,971)
Other income (expense), net	(137)	(8)	(153)	323
	(11,164)			