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ATWOOD OCEANICS INC
Form 8-K
January 29, 2004

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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: January 29, 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.)
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ITEM 7. EXHIBITS

- EXHIBIT 99.1 PRESS RELEASE DATED JANUARY 29, 2004
- EXHIBIT 99.2 CONSOLIDATED STATEMENT OF OPERATIONS FOR THE THREE MONTHS ENDED DECEMBER 31, 2003 AND 2002
- EXHIBIT 99.3 ANALYSIS OF CONTRACT REVENUES AND DRILLING COSTS FOR THE QUARTER ENDED DECEMBER 31, 2003
- EXHIBIT 99.4 CONSOLIDATED BALANCE SHEETS AT DECEMBER 31, 2003 AND SEPTEMBER 30, 2003
- EXHIBIT 99.5 CONTRACT STATUS SUMMARY AT JANUARY 29, 2004

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ITEM 9. REGULATION FD DISCLOSURE

On January 29, 2004, the Company announced its earnings for the Fiscal Year 2004 First Quarter ended December 31, 2003. 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.

The ATWOOD EAGLE is being mobilized to Australia, with estimated arrival around February 15, 2004. The rig should commence its drilling program in Australia around March 1, 2004.

The ATWOOD FALCON has commenced its drilling program in Japan for Japan Energy Development Co. This drilling program is expected to take approximately 100 to 120 days to complete.

Additional information with respect to the Company's Consolidated Statements of Operations for the three months ended December 31, 2003 and 2002, an analysis of Contract Revenues and Drilling Costs for the quarter ended December 31, 2003, Consolidated Balance Sheets at December 31, 2003 and September 30, 2003 and Contract Status Summary at January 29, 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

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Senior Vice President

DATE: January 29, 2004

EXHIBIT INDEX

| EXHIBIT NO. ----- | DESCRIPTION ----- |
|----------------------|---|
| 99.1 | Press Release dated January 29, 2004 |
| 99.2 | Consolidated Statements of Operations for the Three Months ended December 31, 2003 and 2002 |
| 99.3 | Analysis of Contract Revenues and Drilling Costs for the quarter ended December 31, 2003 |
| 99.4 | Consolidated Balance Sheets at December 31, 2003 and September 30, 2003 |
| 99.5 | Contract Status Summary at January 29, 2004 |

EXHIBIT 99.1

Houston, Texas
29 January 2004

FOR IMMEDIATE RELEASE

Atwood Oceanics, Inc., Houston-based international drilling contractor, announced today it incurred a net loss of \$(1,904,000) or \$(.14) per diluted share, on contract revenues of \$35,325,000 for the quarter ended December 31, 2003, compared to net income of \$950,000 or \$.07 per diluted share on contract revenues of \$29,841,000 for the quarter ended December 31, 2002.

| | FOR THE THREE MONTHS ENDED DECEMBER 31, 2003 | 2002 |
|------------------------------------|---|--------------|
| | ----- | ----- |
| Contract Revenues | \$35,325,000 | \$29,841,000 |
| | ===== | ===== |
| Income (Loss) before Income Taxes | (64,000) | 2,374,000 |
| Provision for Income Taxes | (1,840,000) | (1,424,000) |
| | ----- | ----- |
| Net Income (Loss) | (1,904,000) | 950,000 |
| | ===== | ===== |
| Earnings (Loss) per Common Share - | | |
| Basic | (.14) | .07 |
| Diluted | (.14) | .07 |

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Weighted Average Shares

Outstanding -

| | | |
|---------|------------|------------|
| Basic | 13,852,000 | 13,845,000 |
| Diluted | 13,852,000 | 13,912,000 |

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 December 31, | |
|-----------------------------------|------------------------------------|----------|
| | 2003 | 2002 |
| | (Unaudited) | |
| REVENUES: | | |
| Contract drilling | \$35,325 | \$29,841 |
| COSTS AND EXPENSES: | | |
| Contract drilling | 22,533 | 19,345 |
| Depreciation | 7,842 | 5,392 |
| General and administrative | 2,688 | 2,680 |
| | 33,063 | 27,417 |
| OPERATING INCOME | 2,262 | 2,424 |
| OTHER INCOME (EXPENSE) | | |
| Interest expense | (2,334) | (113) |
| Interest income | 8 | 63 |
| | (2,326) | (50) |
| INCOME (LOSS) BEFORE INCOME TAXES | (64) | 2,374 |
| PROVISION FOR INCOME TAXES | 1,840 | 1,424 |
| NET INCOME (LOSS) | \$ (1,904) | \$ 950 |
| EARNINGS (LOSS) PER COMMON SHARE: | | |
| Basic | \$ (.14) | \$.07 |

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| | | | |
|------------------------------------|---------|--------|--------|
| | Diluted | (.14) | .07 |
| AVERAGE COMMON SHARES OUTSTANDING: | | | |
| | Basic | 13,852 | 13,845 |
| | Diluted | 13,852 | 13,912 |

EXHIBIT 99.3

ATWOOD OCEANICS, INC. AND SUBSIDIARIES
ANALYSIS OF CONTRACT REVENUES
AND DRILLING COSTS
FOR THE QUARTER ENDED DECEMBER 31, 2003
(Unaudited)

| | CONTRACT DRILLING REVENUES | CONTRACT DRILLING COSTS |
|-----------------------|----------------------------------|-------------------------------|
| | ----- | ----- |
| | (In Millions) | |
| ATWOOD FALCON | \$ 6.0 | \$ 2.4 |
| VICKSBURG | 5.8 | 2.2 |
| SEAHAWK | 5.2 | 2.1 |
| ATWOOD EAGLE | 4.7 | 3.8 |
| ATWOOD BEACON | 4.3 | 2.2 |
| ATWOOD SOUTHERN CROSS | 3.9 | 4.4 |
| ATWOOD HUNTER | 2.7 | 2.9 |
| RICHMOND | 2.2 | 1.9 |
| OTHER | 0.5 | 0.6 |
| | ----- | ----- |
| | \$35.3 | \$22.5 |
| | ===== | ===== |

EXHIBIT 99.4

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

| | | |
|---------------------------|---------------|-------------|
| | DEC. 31, 2003 | SEP. 30, |
| | | (Unaudited) |
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$19,253 | \$21 |

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| | | |
|---|-----------|-------|
| Accounts receivable | 20,779 | 30 |
| Income tax receivable | 3,278 | 3 |
| Inventories of materials and supplies at lower of average cost or market | 12,076 | 12 |
| Deferred tax assets | 550 | |
| Prepaid expenses and other | 6,410 | 7 |
| | ----- | ----- |
| Total Current Assets | 62,346 | 76 |
| | ----- | ----- |
| PROPERTY AND EQUIPMENT: | | |
| Drilling vessels, equipment and drill pipe | 629,796 | 629 |
| Other | 9,079 | 9 |
| | ----- | ----- |
| | 638,875 | 638 |
| Less-accumulated depreciation | 202,974 | 195 |
| | ----- | ----- |
| Net Property and Equipment | 435,901 | 443 |
| | ----- | ----- |
| DEFERRED COSTS AND OTHER ASSETS | 3,761 | 3 |
| | ----- | ----- |
| | \$502,008 | \$522 |
| | ===== | ===== |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| CURRENT LIABILITIES: | | |
| Current maturities of notes payable | \$27,000 | \$24 |
| Accounts payable | 3,747 | 10 |
| Accrued liabilities | 8,530 | 8 |
| Deferred Credits | 1,500 | 6 |
| | ----- | ----- |
| Total Current Liabilities | 40,777 | 49 |
| | ----- | ----- |
| LONG-TERM NOTES PAYABLE, net of current maturities: | 172,000 | 181 |
| | ----- | ----- |
| | 172,000 | 181 |
| | ----- | ----- |
| OTHER LONG TERM LIABILITIES | | |
| Deferred income taxes | 20,618 | 21 |
| Deferred credits and other | 7,041 | 7 |
| | ----- | ----- |
| | 27,659 | 28 |
| | ----- | ----- |
| 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 13,852,000 issued and outstanding | 13,852 | 13 |
| Paid-in capital | 57,412 | 57 |
| Retained earnings | 190,308 | 192 |

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| | | |
|----------------------------|-----------|-------|
| Total Shareholders' Equity | 261,572 | 263 |
| | \$502,008 | \$522 |
| | ===== | ===== |

EXHIBIT 99.5
 ATWOOD OCEANICS, INC. AND SUBSIDIARIES
 CONTRACT STATUS SUMMARY
 AT JANUARY 29, 2004

| NAME OF RIG | LOCATION | CUSTOMER | CONTRACT STATUS |
|-----------------------|----------------------------|--|---|
| ----- | ----- | ----- | ----- |
| SEMISUBMERSIBLES - | | | |
| ----- | | | |
| ATWOOD FALCON | JAPAN | JAPAN ENERGY DEVELOPMENT CO. LTD. ("JED") | In January 2004, the rig drilling program for JED. estimated to take approxi complete. Immediately up contract, the rig will be well for Husky Oil China |
| ATWOOD HUNTER | EGYPT | BURULLUS GAS CO. ("BURULLUS") | On December 31, 2003 the program for Burullus whic plus options to drill six drilling of the ten firm around 400 days to comple wells are drilled, the co approximately 550 days. |
| ATWOOD EAGLE | MOBILIZING TO AUSTRALIA | BHP BILLITON PETROLEUM PTY. LTD. ("BHP") AND APACHE ENERGY LIMITED ("APACHE") | The rig is currently bein with anticipated arrival The Company has commitmen drill three firm wells pl additional four wells. D wells (expected to commen expected to take three to Drilling contracts with B formalized in early Febru |
| SEAHAWK | MALAYSIA | EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI") | The rig's current contract 2004, with an option for EMEPMI has the right to t the completion of the fir extension period (which c with 120 days written not |
| ATWOOD SOUTHERN CROSS | INDIA | | The rig is currently idle its next contract opportu for additional work are b |

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| | | | |
|--|---------------------------------|--|---|
| SEASCOUT | UNITED STATES GULF OF MEXICO | | Malaysia and other areas The SEASCOUT was purchase conversion to a tender-as SEAHAWK, once an acceptab secured. The rig is curre |
| CANTILEVER JACK-UPS - ----- VICKSBURG | MALAYSIA | EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI") | In October 2002, the rig program (with an option b year), with EMEPMI having drilling program after on completion date of the cu 1, 2004. |
| ATWOOD BEACON | MALAYSIA | PETRONAS CARIGALI SDN. BHD. ("PETRONAS") | In early August 2003, the a contract with Murphy Sa ("Murphy") which provide firm wells plus options t off the coast of Malaysia option to extend the cont wells and then assigned f Petronas. Petronas has a wells for a current total drilled. Petronas is pres well. Drilling of the ei until June/July 2004. Co additional work following contract are being pursue other areas outside of Ma |
| SUBMERSIBLE - ----- RICHMOND | UNITED STATES GULF OF MEXICO | UNION OIL COMPANY OF CALIFORNIA ("UNOCAL") | In September 2003, the ri one option well contract exercised the option well the rig two more firm wel five wells to be drilled drilling of the five well around March/April 2004. |
| 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. |