

OIL STATES INTERNATIONAL, INC
Form 10-Q
November 02, 2012

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2012

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: 001-16337

OIL STATES INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

76-0476605
(I.R.S. Employer Identification No.)

Three Allen Center, 333 Clay Street, Suite 4620,
Houston, Texas
(Address of principal executive offices)

77002
(Zip Code)

(713) 652-0582

(Registrant's telephone number, including area code)

None

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

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 "accelerated filer," "large accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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(Check one):

Large Accelerated Filer

Accelerated Filer

Non-Accelerated Filer (Do not check if a smaller reporting company) 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 Registrant had 54,895,462 shares of common stock, par value \$0.01, outstanding and 3,566,932 shares of treasury stock as of October 31, 2012.

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OIL STATES INTERNATIONAL, INC.

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PART I -- FINANCIAL INFORMATION

ITEM 1. Financial Statements

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(In Thousands, Except Per Share Amounts)

	THREE MONTHS ENDED SEPTEMBER 30,		NINE MONTHS ENDED SEPTEMBER 30,	
	2012	2011	2012	2011
Revenues	\$1,080,673	\$902,621	\$3,270,752	\$2,483,379
Costs and expenses:				
Cost of sales and services	814,034	665,855	2,428,994	1,857,031
Selling, general and administrative expenses	51,308	45,430	147,901	131,902
Depreciation and amortization expense	59,440	46,929	164,323	137,318
Other operating (income) expense	1,566	(57)	1,703	2,724
	926,348	758,157	2,742,921	2,128,975
Operating income	154,325	144,464	527,831	354,404
Interest expense, net of capitalized interest	(15,736)	(16,760)	(51,617)	(39,541)
Interest income	440	174	979	1,422
Equity in earnings of unconsolidated affiliates	30	(204)	671	(151)
Other income	2,486	885	8,530	1,515
Income before income taxes	141,545	128,559	486,394	317,649
Income tax expense	(37,436)	(36,487)	(135,337)	(88,757)
Net income	104,109	92,072	351,057	228,892
Less: Net income attributable to noncontrolling interest	317	221	967	721
Net income attributable to Oil States International, Inc.	\$103,792	\$91,851	\$350,090	\$228,171
Net income per share attributable to Oil States International, Inc. common stockholders				
Basic	\$1.92	\$1.79	\$6.69	\$4.46
Diluted	\$1.87	\$1.67	\$6.32	\$4.15
Weighted average number of common shares outstanding:				
Basic	53,975	51,264	52,347	51,144
Diluted	55,365	54,960	55,391	55,028

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

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In Thousands)

	THREE MONTHS ENDED		NINE MONTHS ENDED	
	SEPTEMBER 30,		SEPTEMBER 30,	
	2012	2011	2012	2011
Net income	\$ 104,109	\$ 92,072	\$ 351,057	\$ 228,892
Other comprehensive income (loss):				
Foreign currency translation adjustment	43,564	(127,085)	40,527	(61,370)
Unrealized loss on forward contracts, net of tax	(434)	--	(434)	--
Total other comprehensive income (loss)	43,130	(127,085)	40,093	(61,370)
Comprehensive income (loss)	147,239	(35,013)	391,150	167,522
Comprehensive income attributable to noncontrolling interest	(357)	(148)	(996)	(685)
Comprehensive income (loss) attributable to Oil States International, Inc.	\$ 146,882	\$ (35,161)	\$ 390,154	\$ 166,837

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

OIL STATES INTERNATIONAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
(In Thousands)

SEPTEMBER 30,
2012