

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

ATWOOD OCEANICS INC
Form 8-K
December 02, 2005

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: December 2, 2005

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

COMMISSION FILE NUMBER 1-13167

Internal Revenue Service - Employer Identification No. 74-1611874

15835 Park Ten Place Drive, Houston, Texas, 77084
(281) 749-7800

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

=====
-1-

ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On December 2, 2005, the Company announced its earnings for the Fiscal Year

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

2005 Fourth Quarter and Year ended September 30, 2005. 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 year ended September 30, 2005 and 2004, an analysis of revenues and contract drilling costs for the three months and year ended September 30, 2005 and consolidated balance sheets at September 30, 2005 and 2004 are attached hereto as Exhibits 99.2, 99.3 and 99.4, respectively, which are being furnished; however, should not be deemed to be filed under Section 18 of the Exchange Act.

ITEM 7.01 REGULATION FD DISCLOSURE

Additional information with respect to the Company's Contract Status Summary at December 2, 2005 is attached hereto as Exhibit 99.5. Such information is being furnished under Regulation FD and should not be deemed to be filed under Section 18 of the Exchange Act.

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 including; 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's annual report on Form 10-K for the year ended September 30, 2004, filed with the Securities and Exchange Commission.

ITEM 9.01 EXHIBITS

- EXHIBIT 99.1 PRESS RELEASE DATED DECEMBER 2, 2005
- EXHIBIT 99.2 CONSOLIDATED STATEMENT OF OPERATIONS FOR THE THREE MONTHS AND YEAR ENDED SEPTEMBER 30, 2005 AND 2004
- EXHIBIT 99.3 ANALYSIS OF REVENUES AND CONTRACT DRILLING COSTS FOR THE THREE MONTHS AND YEAR ENDED SEPTEMBER 30, 2005
- EXHIBIT 99.4 CONSOLIDATED BALANCE SHEETS AT SEPTEMBER 30, 2005 AND 2004
- EXHIBIT 99.5 CONTRACT STATUS SUMMARY AT DECEMBER 2, 2005

-2-

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.

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

ATWOOD OCEANICS, INC.
(Registrant)

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

DATE: December 2, 2005

-3-

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
99.1	Press Release dated December 2, 2005
99.2	Consolidated Statements of Operations for the Three Months and Year ended September 30, 2005 and 2004
99.3	Analysis of Revenues and Drilling Costs for the Three Months and Year ended September 30, 2005
99.4	Consolidated Balance Sheets at September 30, 2005 and 2004
99.5	Contract Status Summary at December 2, 2005

-4-

Houston, Texas
2 December 2005

FOR IMMEDIATE RELEASE

ATWOOD OCEANICS, INC., Houston-based International Drilling Contractor, announced today that the Company earned net income of \$7,021,000 or \$.45 per diluted share, on revenues of \$46,124,000 for the quarter ended September 30, 2005, compared to net income of \$3,344,000 or \$.24 per diluted share, on revenues of \$42,933,000 for the quarter ended September 30, 2004. For the twelve months ended September 30, 2005, the Company earned net income of \$26,371,000 or \$1.69 per diluted share, on revenues of \$176,156,000 compared to net income of \$7,587,000 or \$.54 per diluted share, on revenues of \$163,454,000 for the twelve months ended September 30, 2004.

In the Company's Form 8-K filed on November 22, 2005, the Company advised that at this time diluted earnings per share for the quarter ended September 30, 2005 was expected to be between \$.20 and \$.25. On December 1, 2005, the Company received notification from the Internal Revenue Service that a previously reserved \$3.3 million U.S. income tax refund the Company had been pursuing for over two years has been approved for payment. Based upon this approval, the Company reduced income tax provision by the refund amount for the quarter and year ended September 30, 2005 and also recorded approximately \$300,000 of

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

interest income relating to the tax refund. This tax refund and related interest income increased diluted earnings per share for the quarter and year ended September 30, 2005 by \$.22 and \$.23, respectively.

-5-

	FOR THE THREE MONTHS ENDED SEPTEMBER 30,	
	2005	2004
	-----	-----
Revenues	\$ 46,124,000	\$ 42,933,000
Income before Income Taxes	5,432,000	1,642,000
(Provision) Benefit for Income Taxes	1,589,000	1,702,000
Net Income	7,021,000	3,344,000
Earnings per Common Share -		
Basic	0.46	0.24
Diluted	0.45	0.24
Weighted Average Shares		
Outstanding -		
Basic	15,293,000	13,860,000
Diluted	15,726,000	14,073,000

	FOR THE TWELVE MONTHS ENDED SEPTEMBER 30,	
	2005	2004
	-----	-----
Revenues	\$ 176,156,000	\$ 163,454,000
Income before Income Taxes	25,608,000	12,402,000
(Provision) Benefit for Income Taxes	763,000	(4,815,000)
Net Income	26,371,000	7,587,000
Earnings per Common Share -		
Basic	1.73	0.55
Diluted	1.69	0.54
Weighted Average Shares		
Outstanding -		
Basic	15,207,000	13,858,000
Diluted	15,610,000	13,999,000

Contact: Jim Holland
(281) 749-7804

-6-

EXHIBIT 99.2

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

Three Months Ended
September 30,

Twelve Months Ended
September 30,

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

	2005 (Unaudited)	2004	2005 (Unaudited)
REVENUES:			
Contract drilling	\$ 46,124	\$ 40,553	\$ 168,500
Business interruption proceeds	-	2,380	7,656
	-----	-----	-----
	46,124	42,933	176,156
	-----	-----	-----
COSTS AND EXPENSES:			
Contract drilling	28,182	28,417	102,849
Depreciation	6,806	7,995	26,735
General and administrative	4,431	2,706	14,245
	-----	-----	-----
	39,419	39,118	143,829
	-----	-----	-----
OPERATING INCOME	6,705	3,815	32,327
OTHER INCOME (EXPENSE)			
Interest expense	(1,694)	(2,204)	(7,352)
Interest income (note 1)	421	31	633
	-----	-----	-----
	(1,273)	(2,173)	(6,719)
	-----	-----	-----
INCOME BEFORE INCOME TAXES	5,432	1,642	25,608
PROVISION (BENEFIT) FOR INCOME TAXES (note 1)	(1,589)	(1,702)	(763)
	-----	-----	-----
NET INCOME	\$7,021	\$3,344	\$26,371
	=====	=====	=====
EARNINGS PER COMMON SHARE:			
Basic	\$0.46	\$0.24	\$1.73
Diluted	0.45	0.24	1.69
AVERAGE COMMON SHARES OUTSTANDING:			
Basic	15,293	13,860	15,207
Diluted	15,726	14,073	15,610

Note 1 - On December 1, 2005, the Company received notification from the Internal Revenue Service that a previously reserved \$3.3 million U.S. income tax refund the Company had been pursuing for over two years has been approved for payment. Based upon this approval, the Company reduced income tax provision by the refund amount for the quarter and year ended September 30, 2005 and also recorded approximately \$300,000 of interest income relating to the tax refund. This tax refund and related interest income increased diluted earnings per share for the quarter and year ended September 30, 2005 by \$.22 and \$.23, respectively.

-7-

EXHIBIT 99.3

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

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

FOR THE THREE MONTHS ENDED
SEPTEMBER 30, 2005

	REVENUES -----	DRILLING COSTS -----
	(In Millions)	
ATWOOD FALCON	\$ 9.0	\$ 4.7
ATWOOD EAGLE	8.0	5.8
ATWOOD BEACON	6.0	2.1
VICKSBURG	5.8	2.2
ATWOOD HUNTER	5.7	3.3
SEAHAWK	4.3	2.6
RICHMOND	3.6	2.3
ATWOOD SOUTHERN CROSS	1.7	1.1
OTHER	2.0	4.1
	-----	-----
	46.1	28.2
	=====	=====

FOR THE TWELVE MONTHS ENDED
SEPTEMBER 30, 2005

	REVENUES -----	DRILLING COSTS -----
	(In Millions)	
ATWOOD EAGLE	\$ 34.6	\$ 21.9
ATWOOD FALCON	29.8	14.6
ATWOOD BEACON	24.2	8.5
VICKSBURG	23.6	8.8
ATWOOD HUNTER	22.1	11.9
SEAHAWK	13.9	9.9
RICHMOND	11.9	8.9
ATWOOD SOUTHERN CROSS	10.8	9.1
OTHER	5.3	9.2
	-----	-----
	176.2	102.8
	=====	=====

-8-

EXHIBIT 99.4

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

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

SEP. 30, 2005 SEP. 30, 2004

(Unaudited)

ASSETS

CURRENT ASSETS:

Cash and cash equivalents	\$18,982	\$16,416
Accounts receivable	39,865	32,475
Income tax receivable	3,278	0
Insurance receivable	550	25,433
Inventories of materials and supplies	15,640	12,648
Deferred tax assets	4,310	290
Prepaid expenses and other	10,658	5,704
	-----	-----
Total Current Assets	93,283	92,966
	-----	-----

NET PROPERTY AND EQUIPMENT

399,795 401,141

DEFERRED COSTS AND OTHER ASSETS

3,846 4,829

\$496,924 \$498,936

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:

Current maturities of notes payable	\$36,000	\$36,000
Accounts payable	6,473	9,398
Accrued liabilities	11,088	13,822
Deferred Credits	2,598	833
	-----	-----
Total Current Liabilities	56,159	60,053
	-----	-----

LONG-TERM NOTES PAYABLE,
net of current maturities:

54,000 145,000

54,000 145,000

OTHER LONG TERM LIABILITIES

Deferred income taxes	21,010	18,930
Deferred credits and other	3,258	3,364
	-----	-----
	24,268	22,294
	-----	-----

SHAREHOLDERS' EQUITY:

Preferred stock, no par value; 1,000,000 shares authorized, none outstanding	0	0
Common stock, \$1 par value, 20,000,000 shares authorized with 15,341,000 issued and outstanding	15,341	13,873
Paid-in capital	120,986	57,917
Retained earnings	226,170	199,799
	-----	-----
Total Shareholders' Equity	362,497	271,589
	-----	-----

\$496,924 \$498,936

=====

-9-

EXHIBIT 99.5
 ATWOOD OCEANICS, INC. AND SUBSIDIARIES
 CONTRACT STATUS SUMMARY
 AT December 2, 2005

NAME OF RIG ----- SEMISUBMERSIBLES - -----	LOCATION -----	CUSTOMER -----	CONTRACT STATUS -----
ATWOOD FALCON	JAPAN	MALAYSIA	The rig is preparing to c commitment with Sarawak S
ATWOOD HUNTER	EGYPT	BURULLUS GAS CO. ("BURULLUS")	The rig is currently dril wells for Burullus Gas Co completed in March/April this contract, the rig wi two (2) year contract for
ATWOOD EAGLE	AUSTRALIA	WOODSIDE ENERGY, LTD. ("WOODSIDE")	The rig continues to work Woodside. Besides the Wo rig has two commitments f ("BHP"). The first BHP dr (1) firm well with an opt additional well. The rig contract by BHP to drill options for four (4) addi Northwest coast of Austra wells are drilled, the co drilling programs could e fiscal year 2007.
SEAHAWK	MALAYSIA	SARAWAK SHELL BERHAD / SABAH SHELL PETROLEUM COMPANY LIMITED ("SHELL")	The rig is currently work Shell under a contract th rig commences preparation its contract commitment i Equatorial Guinea, Inc. (for a firm period of 730 days each.
ATWOOD SOUTHERN CROSS	ENROUTE TO THE MEDITERRANEAN SEA	MALTA SHIPYARD	The rig will be in a ship days for required inspect and equipment upgrades pr wells for AGIP offshore I (2) AGIP wells could take complete. Immediately upo work, the rig will be rel commence a three (3) firm (2) additional wells dril Resources. If all wells a program could extend to s

Edgar Filing: ATWOOD OCEANICS INC - Form 8-K

CANTILEVER JACK-UPS -

VICKSBURG

MALAYSIA

MYANMAR

In November 2005, the rig well plus one (1) option Total Exploration and Pro offshore Myanmar. Including that the option well is d program should extend int fiscal year 2006. Upon co

-10-

ATWOOD BEACON

VIETNAM

HOANG LONG AND HOAN VU
JOINT OPERATING COMPANIES
("HOANG LONG")

drilling program, the rig firm well plus four (4) o for Petrofac offshore Mal could extend to September completion of the Petrofa will commence an eight mo Chevron Offshore Cambodia

The rig continues to work Hoang Long which includes wells. The drilling of th expected to take until Ma Immediately upon completi contract, the rig will be brief stopover in Singapo of legs installed) to com month contract for Gujara Ltd.

SUBMERSIBLE -

RICHMOND

UNITED STATES
GULF OF MEXICO

HELIS OIL & GAS COMPANY
("HELIS")

The rig is preparing to c (11) well under the Helis this well, the rig will h wells to drill for Helis. is expected to keep the r

MODULAR PLATFORMS -

GOODWYN 'A' /NORTH
RANKIN 'A'

AUSTRALIA

WOODSIDE ENERGY LTD.

These are client-owned ri is presently being refurb approximately one-year dr commence around March 200 indefinite planned break GOODWYN 'A' rig. The Com maintenance of these two programs.

-11-