

ATWOOD OCEANICS INC
Form 10-Q
August 08, 2008

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 JUNE 30, 2008

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

COMMISSION FILE NUMBER 1-13167

ATWOOD OCEANICS, INC.

(Exact name of registrant as specified in its charter)

TEXAS

74-1611874

(State or other jurisdiction of

(I.R.S. Employer Identification No.)

incorporation or organization)

15835 Park Ten Place Drive
Houston, Texas

77084
(Zip Code)

(Address of principal executive offices)

281-749-7800

(Registrant's telephone number, including area code)

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

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required to file such reports), and (2) has been subject to such filings requirements for the past 90 days. 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. (Check One):

Large accelerated filer Accelerated filer
Non-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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of July 31, 2008:
64,030,030 shares of common stock, \$1 par value

ATWOOD OCEANICS, INC.

FORM 10-Q

For the Quarter Ended June 30, 2008

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PART I. ITEM I - FINANCIAL STATEMENTS
ATWOOD OCEANICS, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Three Months Ended		Nine Months	
	June 30,		Ended	
	2008	2007	2008	2007
REVENUES:				
Contract drilling	\$ 141,372	\$ 98,371	\$ 365,950	\$ 278,875
Business interruption proceeds	-	-	-	2,558
	141,372	98,371	365,950	281,433
COSTS AND EXPENSES:				
Contract drilling	57,094	47,484	159,999	140,211
Depreciation	8,871	8,438	25,914	24,782
General and administrative	7,567	5,949	23,049	17,991
Gain on sale of equipment, net	(129)	(157)	(214)	(341)
	73,403	61,714	208,748	182,643
OPERATING INCOME	67,969	36,657	157,202	98,790
OTHER INCOME (EXPENSE)				
Interest expense, net of capitalized interest	(204)	(392)	(1,146)	(1,317)
Interest income	301	304	1,475	1,177
	97	(88)	329	(140)
INCOME BEFORE INCOME TAXES	68,066	36,569	157,531	98,650
PROVISION FOR INCOME TAXES	7,685	4,536	16,846	13,775
NET INCOME	\$ 60,381	\$ 32,033	\$ 140,685	\$ 84,875
EARNINGS PER COMMON SHARE (NOTE 2):				
Basic	\$ 0.94	\$ 0.51	\$ 2.21	\$ 1.36
Diluted	0.93	0.50	2.18	1.34
AVERAGE COMMON SHARES OUTSTANDING (NOTE 2):				
Basic	64,023	62,982	63,665	62,466
Diluted	64,776	63,928	64,509	63,436

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

PART I. ITEM I - FINANCIAL STATEMENTS
ATWOOD OCEANICS, INC. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands)

	June 30, 2008	September 30, 2007
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 201,424	\$ 100,361
Accounts receivable, net of an allowance of \$240 at June 30, 2008 and \$164 at September 30, 2007	111,525	76,597
Income tax receivable	2,356	1,870
Inventories of materials and supplies, net	34,126	26,721
Deferred tax assets	-	390
Prepaid expenses and deferred costs	2,859	10,240
Total Current Assets	352,290	216,179
NET PROPERTY AND EQUIPMENT	671,138	493,851
DEFERRED COSTS AND OTHER ASSETS	4,618	7,694
	\$ 1,028,046	\$ 717,724
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of notes payable	\$ -	\$ 18,000
Accounts payable	17,222	11,769
Accrued liabilities	44,453	27,861
Deferred income taxes	482	-
Total Current Liabilities	62,157	57,630
LONG-TERM DEBT, net of current maturities:	170,000	-
	170,000	-
LONG-TERM LIABILITIES:		
Deferred income taxes	11,584	14,729
Deferred credits	11,378	24,093
Other	6,294	5,417
Total Long-Term Liabilities	29,256	44,239
COMMITMENTS AND CONTINGENCIES (NOTE 9)		