

HORNBECK OFFSHORE SERVICES INC /LA
Form 10-Q
August 09, 2016
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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 June 30, 2016

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 72-1375844
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification Number)
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)

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 July 31, 2016 was 36,336,749.

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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)

	June 30, 2016 (Unaudited)	December 31, 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$224,525	\$259,801
Accounts receivable, net of allowance for doubtful accounts of \$3,731 and \$2,877, respectively	50,502	91,202
Other current assets	15,222	13,033
Total current assets	290,249	364,036
Property, plant and equipment, net	2,615,243	2,574,661
Deferred charges, net	25,265	35,273
Other assets	10,475	10,446
Total assets	\$2,941,232	\$2,984,416
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$21,190	\$35,916
Accrued interest	14,792	14,795
Accrued payroll and benefits	5,660	11,222
Other accrued liabilities	14,301	23,612
Total current liabilities	55,943	85,545
Long-term debt, net of original issue discount of \$36,420 and \$41,600 and deferred financing costs of \$11,665 and \$13,119, respectively	1,076,915	1,070,281
Deferred tax liabilities, net	366,887	381,619
Other liabilities	1,381	808
Total liabilities	1,501,126	1,538,253
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; 36,314 and 35,985 shares issued and outstanding, respectively	363	360
Additional paid-in-capital	749,403	748,041
Retained earnings	673,738	701,838
Accumulated other comprehensive income (loss)	16,602	(4,076)
Total stockholders' equity	1,440,106	1,446,163
Total liabilities and stockholders' equity	\$2,941,232	\$2,984,416

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		Six Months Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
	(Unaudited)		(Unaudited)	
Revenues:				
Vessel revenues	\$45,284	\$128,071	\$113,500	\$258,247
Non-vessel revenues	8,389	8,375	16,993	12,823
	53,673	136,446	130,493	271,070
Costs and expenses:				
Operating expenses	34,330	57,542	74,759	118,962
Depreciation	22,658	20,172	44,831	40,156
Amortization	5,816	6,314	12,095	13,800
General and administrative expenses	12,379	13,063	21,053	24,955
	75,183	97,091	152,738	197,873
Gain (loss) on sale of assets	—	—	(45	) 33,056
Operating income (loss)	(21,510	) 39,355	(22,290	) 106,253
Other income (expense):				
Interest income	386	393	763	607
Interest expense	(11,004	) (9,921	) (22,068	) (20,183
Other income (expense), net	(48	) 482	456	922
	(10,666	) (9,046	) (20,849	) (18,654
Income (loss) before income taxes	(32,176	) 30,309	(43,139)