

Willbros Group, Inc.\NEW\
Form 10-Q
August 09, 2013
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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 June 30, 2013

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 1-34259

Willbros Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(Jurisdiction of incorporation)

30-0513080
(I.R.S. Employer

Identification Number)

4400 Post Oak Parkway

Suite 1000

Houston, TX 77027

Telephone No.: 713-403-8000

(Address, including zip code, and telephone number, including
area code, of principal executive offices of registrant)

NOT APPLICABLE

(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 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 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

The number of shares of the registrant's Common Stock, \$.05 par value, outstanding as of August 2, 2013 was 49,759,688.

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	June 30, 2013	December 31, 2012
<u>ASSETS</u>		
Current assets:		
Cash and cash equivalents	\$ 53,610	\$ 48,778
Accounts receivable, net	334,405	380,570
Contract cost and recognized income not yet billed	87,249	89,658
Prepaid expenses and other assets	21,772	31,515
Parts and supplies inventories	5,130	5,264
Deferred income taxes	10,294	10,368
Assets held for sale	46,932	90,940
Total current assets	559,392	657,093
Property, plant and equipment, net	114,762	123,985
Intangible assets, net	150,612	158,062
Deferred income taxes		113
Other assets	38,288	38,993
Total assets	\$ 863,054	\$ 978,246
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 263,770	\$ 295,507
Contract billings in excess of cost and recognized income	19,791	36,243
Current portion of capital lease obligations	1,063	1,317
Notes payable and current portion of long-term debt	5,052	5,869
Current portion of settlement obligation of discontinued operations	6,250	5,000
Accrued income taxes	5,139	8,387
Liabilities held for sale	15,422	26,174
Other current liabilities	6,093	8,084
Total current liabilities	322,580	386,581
Long-term debt	256,908	294,353
Capital lease obligations	1,819	2,281
Long-term portion of settlement obligation of discontinued operations	32,750	36,500
Long-term liabilities for unrecognized tax benefits	4,324	4,956
Deferred income taxes	8,293	8,624
Other long-term liabilities	35,419	38,618
Total liabilities	662,093	771,913

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Contingencies and commitments (Note 10)

Stockholders' equity:		
Preferred stock, par value \$.01 per share, 1,000,000 shares authorized, none issued		
Common stock, par value \$.05 per share, 70,000,000 shares authorized and 50,907,469 shares issued at June 30, 2013 (50,084,890 at December 31, 2012)		
	2,542	2,504
Capital in excess of par value	687,447	687,101
Accumulated deficit	(488,760)	(486,051)
Treasury stock at cost, 1,108,680 shares at June 30, 2013 (1,013,399 at December 31, 2012)	(11,930)	(11,394)
Accumulated other comprehensive income	11,373	13,504
Total Willbros Group, Inc. stockholders' equity	200,672	205,664
Noncontrolling interest	289	669
Total stockholders' equity	200,961	206,333
Total liabilities and stockholders' equity	\$ 863,054	\$ 978,246

See accompanying notes to condensed consolidated financial statements.

Table of Contents**WILLBROS GROUP, INC.****CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS****(In thousands, except share and per share amounts)****(Unaudited)**

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2013	2012	2013	2012
Contract revenue	\$ 487,864	\$ 450,422	\$ 975,223	\$ 824,128
Operating expenses:				
Contract	432,807	406,017	880,324	748,097
Amortization of intangibles	3,780	3,669	7,542	7,446
General and administrative	41,914	33,242	79,552	70,811
	478,501	442,928	967,418	826,354
Operating income (loss)	9,363	7,494	7,805	(2,226)
Other expense:				
Interest expense, net	(6,922)	(7,113)	(14,612)	(14,990)
Loss on early extinguishment of debt		(1,149)		(3,405)
Other, net	(308)	(15)	(77)	(339)
	(7,230)	(8,277)	(14,689)	(18,734)
Income (loss) from continuing operations before income taxes	2,133	(783)	(6,884)	(20,960)
Provision for income taxes	1,126	1,208	3,738	2,181
Income (loss) from continuing operations	1,007	(1,991)	(10,622)	(23,141)
Income (loss) from discontinued operations net of provision for income taxes	(7,908)	5,699	7,913	6,469
Net income (loss)	(6,901)	3,708	(2,709)	(16,672)
Less: Income attributable to noncontrolling interest		(328)		(672)
Net income (loss) attributable to Willbros Group, Inc.	\$ (6,901)	\$ 3,380	\$ (2,709)	\$ (17,344)
Reconciliation of net income (loss) attributable to Willbros Group, Inc.				
Income (loss) from continuing operations	\$ 1,007	\$ (1,991)	\$ (10,622)	\$ (23,141)
Income (loss) from discontinued operations	(7,908)	5,371	7,913	5,797
Net income (loss) attributable to Willbros Group, Inc.	\$ (6,901)	\$ 3,380	\$ (2,709)	\$ (17,344)
Basic income (loss) per share attributable to Company shareholders:				
Income (loss) from continuing operations	\$ 0.02	\$ (0.04)	\$ (0.22)	\$ (0.48)
Income (loss) from discontinued operations	(0.16)	0.11	0.17	0.12
Net income (loss)	\$ (0.14)	\$ 0.07	\$ (0.05)	\$ (0.36)
Diluted income (loss) per share attributable to Company shareholders:				
Income (loss) from continuing operations	\$ 0.02	\$ (0.04)	\$ (0.22)	\$ (0.48)

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Income (loss) from discontinued operations	(0.16)	0.11	0.17	0.12
Net income (loss)	\$ (0.14)	\$ 0.07	\$ (0.05)	\$ (0.36)

Weighted average number of common shares outstanding:

Basic