

OCEANEERING INTERNATIONAL INC
Form 10-Q
April 29, 2015

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 March 31, 2015

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: 1-10945

OCEANEERING INTERNATIONAL, INC.
(Exact name of registrant as specified in its charter)
Delaware
(State or other jurisdiction of incorporation or organization)

95-2628227
(I.R.S. Employer Identification No.)

11911 FM 529
Houston, Texas
(Address of principal executive offices)
(713) 329-4500
(Registrant's telephone number, including area code)

77041
(Zip Code)

Not Applicable
(Former name, former address and former fiscal year, if changed from 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.

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

Number of shares of Common Stock outstanding as of April 17, 2015: 98,744,129

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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

OCEANEERING INTERNATIONAL, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)	Mar 31, 2015	Dec 31, 2014
	(unaudited)	
ASSETS		
Current Assets:		
Cash and cash equivalents	\$304,512	\$430,714
Accounts receivable, net of allowances for doubtful accounts of \$270 and \$137	774,905	778,372
Inventory	379,836	375,588
Other current assets	150,458	128,876
Total Current Assets	1,609,711	1,713,550
Property and Equipment, at cost	2,653,250	2,660,788
Less accumulated depreciation	1,380,840	1,354,966
Net Property and Equipment	1,272,410	1,305,822
Other Assets:		
Goodwill	314,799	331,474
Investments in unconsolidated affiliates	31,310	32,624
Other non-current assets	125,713	128,231
Total Other Assets	471,822	492,329
Total Assets	\$3,353,943	\$3,511,701
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities:		
Accounts payable	\$121,087	\$123,688
Accrued liabilities	431,131	490,260
Income taxes payable	49,624	65,189
Total Current Liabilities	601,842	679,137
Long-term Debt	750,000	750,000
Other Long-term Liabilities	418,429	424,944
Commitments and Contingencies		
Shareholders' Equity:		
Common Stock, par value \$0.25 per share; 360,000,000 shares authorized; 110,834,088 shares issued	27,709	27,709
Additional paid-in capital	216,258	229,640
Treasury stock; 12,089,959 and 11,220,682 shares, at cost	(699,457)	(656,917)
Retained earnings	2,282,771	2,240,229
Accumulated other comprehensive loss	(243,609)	(183,041)
Total Shareholders' Equity	1,583,672	1,657,620
Total Liabilities and Shareholders' Equity	\$3,353,943	\$3,511,701
The accompanying Notes are an integral part of these Consolidated Financial Statements.		

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OCEANEERING INTERNATIONAL, INC. AND SUBSIDIARIES
 CONSOLIDATED STATEMENTS OF INCOME
 (unaudited)

(in thousands, except per share data)	Three Months Ended Mar. 31,	
	2015	2014
Revenue	\$786,772	\$840,201
Cost of services and products	623,323	650,710
Gross Margin	163,449	189,491
Selling, general and administrative expense	56,799	56,629
Income from Operations	106,650	132,862
Interest income	156	79
Interest expense, net of amounts capitalized	(6,088)	(411)
Equity in losses of unconsolidated affiliates	(255)	(36)
Other income, net	700	294
Income before Income Taxes	101,163	132,788
Provision for income taxes	31,664	41,563
Net Income	\$69,499	\$91,225
Cash Dividends declared per Share	\$0.27	\$0.22
Basic Earnings per Share	\$0.70	\$0.84
Diluted Earnings per Share	\$0.70	\$0.84

The accompanying Notes are an integral part of these Consolidated Financial Statements.

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