

HORNBECK OFFSHORE SERVICES INC /LA  
Form 10-Q  
November 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 September 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 October 31, 2016 was 36,374,365.



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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)

	September 30, 2016	December 31, 2015
	(Unaudited)	
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$225,461	\$ 259,801
Accounts receivable, net of allowance for doubtful accounts of \$2,158 and \$2,877, respectively	44,506	91,202
Other current assets	14,071	13,033
Total current assets	284,038	364,036
Property, plant and equipment, net	2,598,244	2,574,661
Deferred charges, net	20,778	35,273
Other assets	10,363	10,446
Total assets	\$2,913,423	\$ 2,984,416
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$13,185	\$ 35,742
Accrued interest	13,531	14,795
Accrued payroll and benefits	8,204	11,396
Other accrued liabilities	12,250	23,612
Total current liabilities	47,170	85,545
Long-term debt, net of original issue discount of \$33,782 and \$41,600 and deferred financing costs of \$10,934 and \$13,119, respectively	1,080,284	1,070,281
Deferred tax liabilities, net	359,273	381,619
Other liabilities	1,496	808
Total liabilities	1,488,223	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; 36,374 and 35,985 shares issued and outstanding, respectively	364	360
Additional paid-in-capital	751,907	748,041
Retained earnings	657,235	701,838
Accumulated other comprehensive income (loss)	15,694	(4,076 )
Total stockholders' equity	1,425,200	1,446,163
Total liabilities and stockholders' equity	\$2,913,423	\$ 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		Nine Months Ended	
	September 30,		September 30,	
	2016	2015	2016	2015
	(Unaudited)		(Unaudited)	
Revenues:				
Vessel revenues	\$43,670	\$108,308	\$157,170	\$366,608
Non-vessel revenues	8,257	7,973	25,250	20,743
	51,927	116,281	182,420	387,351
Costs and expenses:				
Operating expenses	29,375	54,938	104,134	173,900
Depreciation	23,467	20,958	68,298	61,114
Amortization	4,580	6,392	16,675	20,192
General and administrative expenses	9,031	12,188	30,084	37,143
	66,453	94,476	219,191	292,349
Gain on sale of assets	81	11,004	36	44,060
Operating income (loss)	(14,445 )	32,809	(36,735 )	139,062
Other income (expense):				
Interest income	401	381	1,164	988
Interest expense	(12,820 )	(9,712 )	(34,888 )	(29,895 )
Other income	1,592	94	2,048	1,016
	(10,827 )	(9,237 )	(31,676 )	(27,891 )
Income (loss) before income taxes	(25,272 )	23,572	(68,411 )	111,171