

CORE LABORATORIES N V
Form 10-Q
April 22, 2016

UNITED STATES
SECURITIES AND
EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q
(Mark One)

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

For the quarterly period ended
March 31, 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: 001-14273

CORE LABORATORIES N.V.
(Exact name of registrant as
specified in its charter)

The Netherlands Not
 Applicable
 (I.R.S.
(State or other Employer
jurisdiction of Identification
 No.)

incorporation or
organization)

Strawinskylaan

913

Tower A, Level 9

1077 XX

Amsterdam

The Netherlands Not
 Applicable

(Address of
principal executive(Zip Code)
offices)

(31-20) 420-3191

(Registrant's telephone number,
including area code)

None

(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 (§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 Accelerated filer Non-accelerated filer Smaller reporting company
(Do not check if a 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 common shares of the registrant, par value EUR 0.02 per share, outstanding at April 21, 2016 was 42,399,183.

CORE LABORATORIES N.V.
FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2016

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

CORE LABORATORIES N.V.

CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	March 31, 2016	December 31, 2015
	(Unaudited)	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 16,665	\$ 22,494
Accounts receivable, net of allowance for doubtful accounts of \$3,240 and \$4,136 at 2016 and 2015, respectively	122,496	145,689
Inventories	41,702	40,906
Prepaid expenses	12,191	12,053
Income taxes receivable	7,711	7,209
Other current assets	6,645	10,196
TOTAL CURRENT ASSETS	207,410	238,547
PROPERTY, PLANT AND EQUIPMENT, net	138,860	143,211
INTANGIBLES, net	9,857	10,041
GOODWILL	178,159	178,159
DEFERRED TAX ASSETS, net	9,178	11,693
OTHER ASSETS	43,786	43,607
TOTAL ASSETS	\$ 587,250	\$ 625,258
LIABILITIES AND EQUITY (DEFICIT)		
CURRENT LIABILITIES:		
Accounts payable	\$ 34,753	\$ 33,474
Accrued payroll and related costs	34,756	36,475
Taxes other than payroll and income	7,937	9,495
Unearned revenue	14,272	14,101
Income taxes payable	4,310	1,733
Other current liabilities	12,388	25,480
TOTAL CURRENT LIABILITIES	108,416	120,758
LONG-TERM DEBT, net	407,112	430,987
DEFERRED COMPENSATION	42,598	43,478
DEFERRED TAX LIABILITIES, net	7,983	4,881
OTHER LONG-TERM LIABILITIES	49,123	48,853
COMMITMENTS AND CONTINGENCIES (Note 6)		
EQUITY (DEFICIT):		
Preference shares, EUR 0.02 par value; 6,000,000 shares authorized, none issued or outstanding	—	—
Common shares, EUR 0.02 par value; 200,000,000 shares authorized, 44,350,002 issued and 42,391,696 outstanding at 2016 and 44,350,002 issued and 42,375,905 outstanding at 2015	1,142	1,142
Additional paid-in capital	2,356	—
Retained earnings	210,983	219,207
Accumulated other comprehensive income (loss)	(11,330)	(10,538)
Treasury shares (at cost), 1,958,306 at 2016 and 1,974,097 at 2015	(236,533)	(238,875)
Total Core Laboratories N.V. shareholders' equity (deficit)	(33,382)	(29,064)
Non-controlling interest	5,400	5,365

TOTAL EQUITY (DEFICIT)	(27,982)	(23,699)
TOTAL LIABILITIES AND EQUITY (DEFICIT)	\$ 587,250	\$ 625,258

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

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CORE LABORATORIES N.V.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share data)

	Three Months Ended March 31,	
	2016	2015
	(Unaudited)	
REVENUE:		
Services	\$122,770	\$162,974
Product sales	30,877	50,669
Total revenue	153,647	213,643
OPERATING EXPENSES:		
Cost of services, exclusive of depreciation expense shown below	85,294	102,795
Cost of product sales, exclusive of depreciation expense shown below	27,520	41,479
General and administrative expense, exclusive of depreciation expense shown below	11,050	12,674
Depreciation	6,627	6,345
Amortization	220	221
Other (income) expense, net	(4) 322
Severance and other charges	—	7,090
OPERATING INCOME	22,940	42,717
Interest expense	3,434	2,403
Income before income tax expense	19,506	