

Willbros Group, Inc.\NEW\
Form 10-Q
August 01, 2017
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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, 2017

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 30-0513080
(Jurisdiction (I.R.S. Employer
of incorporation) 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 (§ 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, smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒
Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐
Emerging growth company ☐

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If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. "

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes " No ý

The number of shares of the registrant's Common Stock, \$.05 par value, outstanding as of July 27, 2017 was 63,302,085.

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FOR QUARTER ENDED JUNE 30, 2017

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PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

WILLBROS GROUP, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

(Unaudited)

| | June 30, 2017 | December 31, 2016 |
|--|------------------|----------------------|
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$41,249 | \$ 41,420 |
| Accounts receivable, net | 130,109 | 112,037 |
| Contract cost and recognized income not yet billed | 22,421 | 11,938 |
| Prepaid expenses and other current assets | 19,876 | 18,416 |
| Parts and supplies inventories | 1,086 | 800 |
| Assets held for sale | 8,882 | 9,050 |
| Current assets associated with discontinued operations | 48 | 505 |
| Total current assets | 223,671 | 194,166 |
| Property, plant and equipment, net | 33,974 | 38,123 |
| Intangible assets, net | 72,014 | 76,848 |
| Restricted cash | 40,228 | 40,206 |
| Deferred income taxes | 386 | 315 |
| Other long-term assets | 11,835 | 13,378 |
| Total assets | \$382,108 | \$ 363,036 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Current liabilities: | | |
| Accounts payable and accrued liabilities | \$113,792 | \$ 83,488 |
| Contract billings in excess of cost and recognized income | 6,039 | 4,938 |
| Accrued income taxes | 315 | 311 |
| Other current liabilities | 5,835 | 6,253 |
| Liabilities held for sale | 12,834 | 8,275 |
| Current liabilities associated with discontinued operations | 823 | 1,578 |
| Total current liabilities | 139,638 | 104,843 |
| Long-term debt | 88,179 | 89,189 |
| Other long-term liabilities | 34,843 | 32,872 |
| Long-term liabilities associated with discontinued operations | 824 | 995 |
| Total liabilities | 263,484 | 227,899 |
| Contingencies and commitments (Note 13) | | |
| Stockholders' equity: | | |
| Preferred stock, par value \$.01 per share, 1,000,000 shares authorized, none issued | — | — |
| Common stock, par value \$.05 per share, 105,000,000 shares authorized and 65,509,611 shares issued at June 30, 2017 (64,679,896 at December 31, 2016) | 3,267 | 3,226 |
| Additional paid-in capital | 750,796 | 749,303 |
| Accumulated deficit | (616,890) | (598,021) |
| Treasury stock at cost, 2,211,026 shares at June 30, 2017 (2,025,208 at December 31, 2016) | (15,641) | (15,137) |
| Accumulated other comprehensive loss | (2,908) | (4,234) |
| Total stockholders' equity | 118,624 | 135,137 |
| Total liabilities and stockholders' equity | \$382,108 | \$ 363,036 |
| See accompanying notes to condensed consolidated financial statements. | | |

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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, | |
| | 2017 | 2016 | 2017 | 2016 |
| Contract revenue | \$227,447 | \$193,442 | \$391,347 | \$392,472 |
| Contract costs | 210,368 | 178,285 | 372,587 | 363,516 |
| Contract income | 17,079 | 15,157 | 18,760 | 28,956 |
| Amortization of intangibles | 2,417 | 2,439 | 4,834 | 4,877 |
| General and administrative | 13,869 | 14,520 | 27,224 | 31,654 |
| Other charges | 435 | 939 | 1,197 | 4,627 |
| Operating income (loss) | 358 | (2,741) | (14,495) | (12,202) |
| Interest expense | (3,667) | (3,302) | (7,155) | (6,869) |
| Interest income | 7 | 411 | | |