TODCO
Form S-1/A
December 15, 2004

**As filed with the Securities and Exchange Commission on December 15, 2004**

**Registration No. 333-120651**

# SECURITIES AND EXCHANGE COMMISSION

**Washington, D.C. 20549**

**Amendment No. 2 to**

# Form S-1

**REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933**

# TODCO

*(Exact name of registrant as specified in its charter)*

| Delaware | 1381 | 76-0544217 |
|---|---|---|
| *(State or other jurisdiction of incorporation or organization)* | *(Primary Standard Industrial Classification Code Number)* | *(IRS Employer Identification Number)* |

**2000 W. Sam Houston Parkway South, Suite 800**

**Houston, Texas 77042**
**(713) 278-6000**
*(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)*

**T. Scott O Keefe**

**TODCO**
**2000 W. Sam Houston Parkway South, Suite 800**
**Houston, Texas 77042**
**Telephone: (713) 278-6000**
**Fax: (713) 278-6107**
*(Name, address, including zip code, and telephone number, including area code, of agent for service)*

***Copies to:***

| T. William Porter<br>Nick D. Nicholas<br>Porter & Hedges, L.L.P.<br>700 Louisiana, 35th Floor<br>Houston, Texas 77002-2764<br>Telephone: (713) 226-0600<br>Fax: (713) 226-0237 | Gene J. Oshman<br>John D. Geddes<br>Baker Botts L.L.P.<br>3000 One Shell Plaza<br>910 Louisiana<br>Houston, Texas 77002-4995<br>Telephone: (713) 229-1234<br>Fax: (713) 229-7778 | Alan J. Sinsheimer<br>Sullivan & Cromwell LLP<br>125 Broad Street<br>New York, New York 10004-2498<br>Telephone: (212) 558-4000<br>Fax: (212) 558-3588 |
|---|---|---|

**Approximate date of commencement of proposed sale to the public:** As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. o

**CALCULATION OF REGISTRATION FEE**

| Title of Each Class of Securities to be Registered | Amount to be Registered(1) | Proposed Maximum Offering Price Per Unit(2) | Proposed Maximum Aggregate Offering Price(3) | Amount of Registration Fee(4) |
|---|---|---|---|---|
| Class A common stock | 14,950,000 | $16.75 | $250,412,500 | $31,728 |

(1) Each share of our Class A common stock includes an associated preferred stock purchase right.

(2) Pursuant to Rule 457(c), the registration fee is calculated based upon the average high and low prices for Class A common stock on November 16, 2004, as reported in the consolidated reporting system of the New York Stock Exchange.

(3) Estimated solely for the purpose of calculating the registration fee.

(4) $31,728 was previously paid with the initial filing of this registration statement.

**The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

**PROSPECTUS (Subject to Completion)**
**Issued December 15, 2004**

# 13,000,000 Shares

## CLASS A COMMON STOCK

**Transocean Inc., as selling stockholder, is selling 13,000,000 shares of our Class A common stock. We will not receive any proceeds from the Class A common stock sold by the selling stockholder.**

**Our Class A common stock is listed on the New York Stock Exchange under the symbol THE. On December 10, 2004, the closing sale price of our Class A common stock was $16.69.**

**Investing in our Class A common stock involves risks. See Risk Factors beginning on page 13.**

**PRICE $ PER SHARE**

| | Price to Public | Underwriting Discounts and Commissions | Proceeds to Selling Stockholder |
|---|---|---|---|
| Per Share | $ | $ | $ |
| Total | $ | $ | $ |

Transocean has granted the underwriters the right to purchase up to an additional 1,950,000 shares to cover over-allotments.

The Securities and Exchange Commission and state securities regulators have not approved or disapproved the shares of the Class A common stock, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares to purchasers on December , 2004.

**Joint Bookrunning Managers**

**MORGAN STANLEY** **CITIGROUP**

**Goldman, Sachs & Co.**

December , 2004

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You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus. The underwriters are offering to sell, and seeking offers to buy, shares of our Class A common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any sale of shares of our Class A common stock.

## PROSPECTUS SUMMARY

*This summary highlights selected information described more fully elsewhere in this prospectus. This summary may not contain all the information that is important to you. You should read the entire prospectus, including the financial statements and related notes, before making an investment decision with respect to our Class A common stock. References in this prospectus to the terms we, us or other similar terms mean TODCO and its subsidiaries, references to Transocean mean Transocean Inc. and its subsidiaries (excluding us), unless the context indicates otherwise. References to Transocean Holdings mean Transocean Holdings Inc.*

## TODCO

### Overview

TODCO is a leading provider of contract oil and gas drilling services, primarily in the U.S. Gulf of Mexico shallow water and inland marine region, an area that we refer to as the U.S. Gulf Coast. We have the largest fleet of drilling rigs in the U.S. Gulf Coast and believe that, as a result of our leading position and geographic focus, we are well-positioned to benefit from a potential increase in drilling activity associated with the search for natural gas in this region. We are a controlled subsidiary of Transocean, the world s largest offshore oil and gas drilling contractor.

We operate a fleet of 70 drilling rigs consisting of 30 inland barge rigs, 24 jackup rigs, three submersible rigs, one platform rig, nine land rigs and three lake barge rigs. Currently, 53 of these rigs are located in shallow and inland waters of the United States with the remainder in Mexico, Trinidad and Venezuela.

Our core business is to contract our drilling rigs, related equipment and work crews on a dayrate basis to customers who are drilling oil and gas wells. We provide these services mainly to independent oil and gas companies, but we also service major international and government-controlled oil and gas companies. Our customers in the U.S. Gulf Coast typically focus on drilling for natural gas.

Upon the closing of this offering, we will no longer be controlled by Transocean. We expect, however, that Transocean will be our largest stockholder immediately after this offering, and that a number of agreements previously entered into by us and Transocean will remain in effect. For a discussion of related risks, see Risk Factors Risks Related to Our Largest Stockholder Transocean.

**Recent Industry Trends**

The drilling industry in the U.S. Gulf Coast is highly cyclical and is typically driven by general economic activity and changes in actual or anticipated oil and gas prices. We believe that both our earnings and demand for our rigs will typically be correlated to our customers expectations of energy prices, particularly natural gas prices, and that sustained high energy prices will generally have a positive impact on our earnings. We believe that the drilling industry has emerged from a cyclical low point and that there are several trends that should benefit our operations, including:

*Redeployment of Jackup Rigs.* Greater demand for jackup rigs in international areas over the last two years has reduced the overall supply of jackups in the U.S. Gulf Coast as reflected in the first chart below. This has created a more favorable supply environment for the remaining jackups, including ours. This favorable supply environment has led to increased jackup dayrates as reflected in the second chart below.

**U.S. GULF OF MEXICO JACKUP SUPPLY AND DEMAND**

Source: ODS-Petrodata. As of November 30, 2004.

**U.S. GULF OF MEXICO JACKUP DAYRATES**

Source: ODS-Petrodata. As of November 30, 2004.

*High Natural Gas Prices.* While U.S. natural gas prices are volatile, the rolling twelve-month average price of natural gas has increased from $2.11 in January 1994 to $5.73 in October 2004, as shown in the chart below. We believe high natural gas prices in the United States, if sustained, should result in more exploration and development drilling activity and higher utilization and dayrates for drilling companies like us.

**U.S. NATURAL GAS PRICE ROLLING TWELVE MONTH AVERAGE**

Source: Bloomberg (last twelve months rolling average of historical Henry Hub prices). As of October 31, 2004.

*Need for Increased Natural Gas Drilling Activity.* From 1994 to 2003, U.S. demand for natural gas grew at an annual rate of 0.6% while its supply grew at an annual rate of 0.2%. We believe that this supply and demand growth imbalance will continue if demand for natural gas continues to increase and production decline rates continue to accelerate. As illustrated in the chart below, even though the number of U.S. gas wells drilled has increased overall in recent years, a corresponding increase in production has not been realized. We believe that an increase in U.S. drilling activity will be required for the natural gas industry to meet the expected increased demand for, and compensate for the slowing production of, natural gas in the United States.

**U.S. NATURAL GAS PRODUCTION AND GAS WELLS DRILLED**

Source: EIA. As of October 31, 2004.

*Trend Towards Drilling Deeper Shallow Water Gas Wells.* A current trend by oil and gas companies is to drill deep gas wells along the U.S. Gulf Coast in search of new and potentially prolific untapped natural gas reserves. We believe that this trend towards deeper drilling will benefit premium jackup rigs as well as barge rigs and submersible rigs that are capable of drilling deep gas wells. In addition, we believe this trend will indirectly benefit conventional jackup fleets as the use of premium rigs in the U.S. Gulf Coast to drill deep wells should reduce the supply of rigs available to drill conventional wells.

**Our Strengths**

We believe that we have the following strengths:

*Leading Presence in the U.S. Gulf Coast.* We have the largest combined jackup and inland barge fleet in the U.S. Gulf Coast. Our leading presence and geographic focus provide us with logistical advantages in servicing our customers, including reduced mobilization times and costs and increased flexibility of rig and crew deployment. Our size also generates economies of scale and helps us attract, train and retain qualified crew personnel.

*Well-Positioned to Benefit from an Upturn in Natural Gas Drilling Activity.* Our customers in the U.S. Gulf Coast drill primarily for natural gas. Given our leading presence in this market, we believe we are well-positioned to benefit from any significant increases in U.S. natural gas drilling activity in the U.S. Gulf Coast. Because operating costs in our industry are largely fixed, our earnings and cash flow are very sensitive to improvements in utilization rates and dayrates.

*Strong Balance Sheet.* At September 30, 2004 we had $29.3 million of total debt and a total debt to total capitalization ratio of 5.8%. We believe this strong balance sheet should enable us to take advantage of opportunities for growth as the market improves and to respond effectively to market downturns.

*Experienced and Incentivized Management Team.* Our senior and operating level management team has extensive industry experience in the U.S. Gulf Coast. Their considerable knowledge of and experience with the cyclical nature of our business should enhance our ability to operate effectively through industry cycles. Additionally, our management s participation in incentive compensation plans is designed to align their interests with our operating and financial performance. For a discussion of risks related to potential conflicts of interest involving our management, see Risk Factors Risks Related to Our Largest Stockholder Transocean Some of our executive officers and directors may have potential conflicts of interest because of their ownership of Transocean ordinary shares or their role as directors or executive officers of Transocean.

**Our Strategy**

Our objective is to continue to be a leading offshore drilling company with a focus on the North American natural gas industry. Specifically, we intend to:

*Focus on Marine Assets and Drilling for Natural Gas Along the U.S. Gulf Coast.* We plan to maintain our position as the leading contractor of jackup rigs and drilling barges in the U.S. Gulf Coast. We believe that this approach will allow us to take advantage of improvements in dayrates and rig demand that may result from increased drilling activity in this region. We believe that our focus on this region will also allow us to take advantage of deep gas drilling opportunities. Although we intend to focus on the U.S. Gulf Coast, we also plan to pursue selective opportunities for our rigs in Mexico, Trinidad, Venezuela and possibly other regions.

*Pursue Efficient, Low-Cost Operations and a Disciplined Approach to Capital Spending.* We intend to be a low-cost contractor in the U.S. Gulf Coast drilling market. We believe that by being an efficient, low-cost contractor, we can maintain significant operating flexibility and maximize our earnings and cash flow over the entire business cycle. We believe that this operational flexibility will provide us with an important competitive advantage and allow us to compete effectively with competitors with higher specification fleets and higher cost structures than ours. We plan to pursue a disciplined approach to capital spending in increasing the size and upgrading the capabilities of our fleet.

*Maintain High Operating Standards.* We plan to continue to maintain a high level of quality service and safety. We have in place a comprehensive set of safety management systems, standards and procedures that we believe benefit our employees, our margins and our reputation.

*Maintain a Conservative Capital Structure.* We intend to maintain our conservative capital structure with a low percentage of debt. We believe this is a prudent financial strategy given that our industry is highly cyclical.

## Operational Update

Market conditions for our U.S. Gulf Coast jackup fleet improved during the first nine months of 2004 as a result of declining rig supply in the region. As of December 10, 2004, our 12 jackup rigs working in the U.S. Gulf Coast were contracted at dayrates ranging from $33,800 to $41,900. We anticipate that the declining jackup rig supply in the U.S. Gulf Coast will continue to result in improved utilization and higher dayrates over the next several quarters. We also have experienced higher dayrates in our U.S. Gulf Coast barge market since early 2004. As of December 10, 2004, our 14 inland barges were contracted at dayrates ranging from $17,400 to $27,700.

The following table shows our average rig revenue per day and utilization for the quarterly periods ending on or prior to September 30, 2004 with respect to each of our three drilling segments. Average rig revenue per day is defined as operating revenue earned per revenue earning day in the period. Utilization in the table below is defined as the total actual number of revenue earning days in the period as a percentage of the total number of calendar days in the period for all drilling rigs in our fleet.

| | Three Months Ended | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **September 30, 2002** | **December 31, 2002** | **March 31, 2003** | **June 30, 2003** | **September 30, 2003** | **December 31, 2003** | **March 31, 2004** | **June 30, 2004** | **September 30, 2004** |
| **Average Rig Revenue Per Day:** | | | | | | | | | |
| U.S. Gulf of Mexico Jackups and Submersibles | $22,400 | $21,000 | $22,600 | $20,200 | $22,900 | $26,700 | $30,600 | $30,700 | $33,800 |
| U.S. Inland Barges | 20,700 | 19,600 | 19,100 | 17,600 | 18,300 | 18,700 | 20,300 | 22,500 | 22,900 |
| Other International | 23,500 | 19,400 | 19,700 | 19,100 | 21,000 | 25,600 | 40,000 | 37,500 | 34,600 |
| **Utilization:** | | | | | | | | | |
| U.S. Gulf of Mexico Jackups and Submersibles | 32% | 34% | 31% | 44% | 54% | 50% | 43% | 50% | 54% |
| U.S. Inland Barges | 47% | 44% | 47% | 39% | 38% | 40% | 40% | 42% | 45% |
| Other International | 23% | 27% | 35% | 44% | 38% | 28% | 29% | 29% | 33% |

## Our Relationship with Transocean

In February 2004, we completed an initial public offering of 13,800,000 shares of our Class A common stock (the IPO ) as part of our separation from Transocean. In September 2004, we completed another public offering of 17,940,000 shares of our Class A common stock. All proceeds from the IPO and our second offering went to Transocean, the selling stockholder. Before completion of the IPO, we entered into various agreements to complete the separation of our business from Transocean, including a master separation agreement, a tax sharing agreement, a registration rights agreement and an employee matters agreement. For a description of these agreements, see Certain Relationships and Related Party Transactions Relationship Between Us and Transocean.

Transocean currently owns 28,260,000 shares or 100 percent of our outstanding Class B common stock, which represent approximately 47 percent of our outstanding common stock. Transocean has approximately 82 percent of the combined voting power of our outstanding common stock due to the five votes per share of our Class B common stock, as compared to the one vote per share of our Class A common stock. Transocean does not currently own any of our outstanding Class A common stock. Transocean has informed us that it intends to agree in the underwriting agreement that the conversion of all of its unsold shares of Class B common stock into an equal number of shares of Class A common stock will be a condition to closing.

After giving effect to Transocean s sale of common stock in this offering, and to the conversion by Transocean of all of its unsold shares of Class B common stock into shares of Class A common stock, Transocean will own approximately 25 percent of our Class A common stock, or approximately 22 percent if the underwriters exercise their over-allotment option in full. Transocean has advised us that it expects two of our directors who are affiliated with Transocean to resign as directors no later than when our board of directors identifies a replacement director for each who is independent and unaffiliated with Transocean. These changes in our board of directors will reduce the number of directors affiliated with Transocean from four to two members on our currently nine-member board of directors.

Transocean has advised us that its current intent is to dispose of the remaining TODCO common stock it owns following this offering. Transocean could elect to dispose of our common stock in a number of different types of transactions, including additional public offerings of our common stock, open market sales of our common stock, sales of our common stock to one or more third parties, spin-off distributions of our common stock to Transocean s shareholders, split-off offerings to Transocean s shareholders that would allow for the opportunity to exchange Transocean shares for shares of our common stock or a combination of these transactions. However, the determination of whether, and if so, when, to proceed with any of these transactions is entirely within the discretion of Transocean. Transocean has also advised us that its current preference is to receive cash in any transaction disposing of our common stock owned by it following this offering. Transocean is not subject to any contractual obligation to maintain its share ownership, except that Transocean has agreed not to offer, sell or otherwise dispose of any shares of our common stock for a period of 60 days after the date of this prospectus without the prior written consent of the underwriters, subject to the exceptions described in Underwriters. For more information on the potential effect of sales of our common stock by Transocean, see Risk Factors Risks Related to this Offering, the Securities Markets and Ownership of Our Class A Common Stock Substantial sales of our common stock by Transocean or us could cause our stock price to decline and issuances by us may dilute your ownership interest in our company and Shares Eligible for Future Sale.

As a result of this offering, we will no longer be subject to provisions of the master separation agreement we entered into with Transocean that restricted our ability to compete with Transocean in certain lines of contract drilling and similar services in the offshore U.S. market sector and in countries other than Mexico, Trinidad, Venezuela or Colombia. A number of other contractual rights of Transocean will also terminate upon completion of this offering as a consequence of Transocean no longer owning a majority of the voting power of our outstanding common stock. Other agreements between us and Transocean will remain in effect. See Certain Relationships and Related Party Transactions Relationship Between Us and Transocean for more information regarding the remaining contractual arrangements between us and Transocean and those that will terminate upon completion of this offering.

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Our executive offices are located at 2000 W. Sam Houston Parkway South, Suite 800, Houston, Texas 77042, and our telephone number is (713) 278-6000.

## THE OFFERING

| | |
|---|---|
| Class A common stock offered | 13,000,000 shares |
| Common stock to be outstanding after the offering: | |
| Class A common stock | 60,304,501 shares |
| Class B common stock | 0 shares |
| Common stock to be held by Transocean after the offering: | |
| Class A common stock | 15,260,000 shares, approximately 25% of our outstanding Class A common stock |
| Class B common stock | 0 shares |
| Use of proceeds | We will not receive any of the proceeds from this offering. All proceeds from this offering will be received by the selling stockholder. |
| Dividend policy | We do not intend to declare or pay regular dividends on our common stock in the foreseeable future. Instead, we generally intend to invest any future earnings for use in our business. |
| New York Stock Exchange symbol for Class A common stock | THE |

The number of shares of our common stock to be outstanding after this offering excludes:

- 1,658,617 shares of Class A common stock issuable in connection with the exercise of stock options, and
- 1,036,853 additional shares of Class A common stock reserved for issuance under our long-term incentive plan.

Unless we specifically state otherwise:

- the information in this prospectus does not take into account the sale of up to 1,950,000 shares of Class A common stock which the underwriters have the option to purchase from Transocean to cover over-allotments, and
- the share-related information related to the offering in this prospectus assumes the conversion of the shares to be sold in this offering into Class A common stock and the conversion by Transocean of all its unsold shares of Class B common stock into shares of Class A common stock upon completion of this offering.

## SUMMARY HISTORICAL FINANCIAL DATA

The summary historical financial data set forth below has been prepared using our audited consolidated financial statements except for the summary historical financial data for the nine months ended September 30, 2003 and 2004 which has been prepared using our unaudited condensed consolidated financial statements. Operating results for the nine months ended September 30, 2004 are not necessarily indicative of the results that may be expected for the entire year 2004. It is important that you read the following summary historical financial data together with our financial statements and the related notes and with the sections titled Selected Historical Financial Data and Management s Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this prospectus.

On January 31, 2001, we became a wholly owned subsidiary of Transocean as a result of our merger transaction with Transocean. The merger was accounted for as a purchase, with Transocean as the accounting acquiror. The purchase price was allocated to our assets and liabilities based on their estimated fair values on the date of the merger. The purchase price adjustments were pushed down to our consolidated financial statements. Accordingly, our financial statements for periods subsequent to January 31, 2001 are not comparable in material respects to those of prior periods since those financial statements report financial position, results of operations and cash flows using a different basis of accounting.

| | Pre-Transocean Merger | Post-Transocean Merger | | | | |
|---|---|---|---|---|---|---|
| | One Month Ended January 31, 2001 | Eleven Months Ended December 31, 2001 | Year Ended December 31, 2002 | Year Ended December 31, 2003 | Nine Months Ended September 30, 2003 | Nine Months Ended September 30, 2004 |
| | (In millions, except per share data) | | | | | |
| **Statement of Operations Data:** | | | | | | |
| Operating revenues | $ 48.5 | $441.0 | $ 187.8 | $ 227.7 | $ 167.3 | $247.7 |
| Operating and maintenance expense | 23.2 | 270.0 | 185.7 | 227.4 | 178.6 | 193.4 |
| Loss from continuing operations before cumulative effect of a change in accounting principle | (90.1) | (96.7) | (529.1) | (222.0) | (193.7) | (32.2) |
| **Per Share Data:** | | | | | | |
| Loss from continuing operations before cumulative effect of a change in accounting principle per common share basic and diluted | $ (0.43) | $ (7.96) | $(43.57) | $(18.28) | $(15.95) | $ (0.59) |
| Average common shares outstanding: | | | | | | |
| Basic and diluted | 211.3 | 12.1 | 12.1 | 12.1 | 12.1 | 54.3 |

| | Post-Transocean Merger | | | |
|---|---|---|---|---|
| | As of December 31, | | | As of September 30, |
| | 2001 | 2002 | 2003 | 2004 |
| | (In millions) | | | |
| **Balance Sheet Data:** | | | | |
| Cash and cash equivalents | $ 15.0 | $ | $ 20.0 | $ 53.8 |
| Working capital | 222.4 | 199.1 | (2.6) | 54.9 |
| Total assets | 8,838.8 | 2,227.2 | 778.2 | 750.7 |
| Total debt | 1,538.0 | 40.7 | 26.8 | 26.3 |
| Total debt related party | 55.0 | 1,080.1 | 525.0 | 3.0 |
| Shareholders equity | 6,496.5 | 561.9 | 137.7 | 475.8 |

## SUMMARY PRO FORMA FINANCIAL DATA

We have included the following unaudited summary pro forma financial information only for the purposes of illustration. The pro forma statement of operations data for the year ended December 31, 2003 and for the nine months ended September 30, 2004 reflect our continuing operations and assume the retirement of all of our notes payable to Transocean (the retirement ) was completed on January 1, 2003. The pro forma information does not necessarily indicate what the operating results or financial position would have been if the retirement had been completed at the dates indicated. Moreover, this information does not necessarily indicate what our future operating results or financial position will be.

You should read this unaudited summary pro forma financial information in conjunction with the Unaudited Pro Forma Financial Information and the related notes beginning on page 31.

| | Year Ended December 31, 2003 | Nine Months Ended September 30, 2004 |
|---|---|---|
| | (In millions, except per share data) | |
| **Statement of Operations Data:** | | |
| Operating revenues | $ 227.7 | $247.7 |
| Costs and expenses | | |
| Operating and maintenance | 227.4 | 193.4 |
| Depreciation | 92.2 | 72.0 |
| General and administrative | 16.3 | 26.6 |
| Impairment loss on long-lived assets | 11.3 | |
| Gain from disposal of assets, net | (0.8) | (5.4) |
| Operating loss | (118.7) | (38.9) |
| Other income (expense) | | |
| Equity in loss of joint ventures | (6.6) | |
| Interest income | 3.9 | 0.3 |
| Interest expense | (2.5) | (3.3) |
| Loss on retirement of debt | (79.5) | (1.9) |
| Impairment of investment in and advance to joint venture | (21.3) | |
| Other, net | (2.8) | |