

CORE LABORATORIES N V  
Form 10-Q  
October 23, 2015

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 September 30, 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: 001-14273

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

The Netherlands  
(State or other jurisdiction of  
incorporation or organization)

Not Applicable  
(I.R.S. Employer Identification No.)

Strawinskylaan 913  
Tower A, Level 9  
1077 XX Amsterdam

The Netherlands  
(Address of principal executive offices)

Not Applicable  
(Zip Code)

(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

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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 October 22, 2015 was 42,366,187.

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CORE LABORATORIES N.V.  
FORM 10-Q FOR THE QUARTER ENDED SEPTEMBER 30, 2015

INDEX

PART I - FINANCIAL INFORMATION

	Page
Item 1.	Financial Statements
	<u>Consolidated Balance Sheets (Unaudited) at September 30, 2015 and December 31, 2014</u>
	<u>1</u>
	<u>Consolidated Statements of Operations (Unaudited) for the Three Months Ended September 30, 2015 and 2014</u>
	<u>2</u>
	<u>Consolidated Statements of Operations (Unaudited) for the Nine Months Ended September 30, 2015 and 2014</u>
	<u>3</u>
	<u>Consolidated Statements of Comprehensive Income (Unaudited) for the Three and Nine Months Ended September 30, 2015 and 2014</u>
	<u>4</u>
	<u>Consolidated Statements of Cash Flows (Unaudited) for the Nine Months Ended September 30, 2015 and 2014</u>
	<u>5</u>
	<u>Notes to the Unaudited Consolidated Interim Financial Statements</u>
	<u>6</u>
<u>Item 2.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>
	<u>16</u>
<u>Item 3.</u>	<u>Quantitative and Qualitative Disclosures About Market Risk</u>
	<u>24</u>
<u>Item 4.</u>	<u>Controls and Procedures</u>
	<u>24</u>

PART II - OTHER INFORMATION

<u>Item 1.</u>	<u>Legal Proceedings</u>	<u>25</u>
<u>Item 2.</u>	<u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>25</u>
<u>Item 6.</u>	<u>Exhibits</u>	<u>26</u>
	<u>Signature</u>	<u>27</u>

## PART I - FINANCIAL INFORMATION

## Item 1. Financial Statements

## CORE LABORATORIES N.V.

## CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	September 30, 2015 (Unaudited)	December 31, 2014
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$18,461	\$23,350
Accounts receivable, net of allowance for doubtful accounts of \$3,746 and \$3,397 at 2015 and 2014, respectively	152,448	197,163
Inventories	44,462	43,371
Prepaid expenses	11,013	14,246
Income taxes receivable	5,852	10,980
Other current assets	9,987	12,710
<b>TOTAL CURRENT ASSETS</b>	<b>242,223</b>	<b>301,820</b>
<b>PROPERTY, PLANT AND EQUIPMENT, net</b>	<b>146,965</b>	<b>149,014</b>
<b>INTANGIBLES, net</b>	<b>13,523</b>	<b>10,642</b>
<b>GOODWILL</b>	<b>178,159</b>	<b>164,464</b>
<b>DEFERRED TAX ASSETS, net</b>	<b>10,087</b>	<b>3,876</b>
<b>OTHER ASSETS</b>	<b>44,148</b>	<b>45,837</b>
<b>TOTAL ASSETS</b>	<b>\$635,105</b>	<b>\$675,653</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$40,539	\$47,084
Accrued payroll and related costs	33,016	34,617
Taxes other than payroll and income	9,225	11,199
Unearned revenue	13,918	11,009
Income taxes payable	7,217	8,333
Other current liabilities	20,148	19,624
<b>TOTAL CURRENT LIABILITIES</b>	<b>124,063</b>	<b>131,866</b>
<b>LONG-TERM DEBT</b>	<b>428,000</b>	<b>356,000</b>
<b>DEFERRED COMPENSATION</b>	<b>42,809</b>	<b>42,705</b>
<b>DEFERRED TAX LIABILITIES, net</b>	<b>2,505</b>	<b>7,210</b>
<b>OTHER LONG-TERM LIABILITIES</b>	<b>43,643</b>	<b>43,879</b>
<b>COMMITMENTS AND CONTINGENCIES (Note 6)</b>		
<b>EQUITY (DEFICIT):</b>		
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 42,407,281 outstanding at 2015 and 45,600,002 issued and 43,636,984 outstanding at 2014	1,142	1,174
Additional paid-in capital	269	—
Retained earnings	236,041	415,906
Accumulated other comprehensive income (loss)	(11,901)	(11,894)
Treasury shares (at cost), 1,942,721 at 2015 and 1,963,018 at 2014	(237,795)	(317,613)
Total Core Laboratories N.V. shareholders' equity (deficit)	(12,244)	87,573
Non-controlling interest	6,329	6,420

TOTAL EQUITY (DEFICIT)	(5,915	) 93,993
TOTAL LIABILITIES AND EQUITY	\$635,105	\$675,653

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

1

[Return to Index](#)

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

	Three Months Ended September 30,	
	2015	2014
	(Unaudited)	
REVENUE:		
Services	\$150,128	\$203,578
Product sales	47,137	72,557
Total revenue	197,265	276,135
OPERATING EXPENSES:		
Cost of services, exclusive of depreciation expense shown below	94,117	113,917
Cost of product sales, exclusive of depreciation expense shown below	34,933	53,010
General and administrative expense, exclusive of depreciation expense shown below	12,155	12,316
Depreciation	6,695	6,362
Amortization	215	483
Other (income) expense, net	2,332	927
OPERATING INCOME	46,818	89,120
Interest expense	3,471	2,561
Income before income tax expense	43,347	