

CORE LABORATORIES N V

Form 10-Q

October 22, 2009

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, 2009

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 of other jurisdiction of
incorporation or organization)

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

Herengracht 424
1017 BZ 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

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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 0.04 per share, outstanding at October 21, 2009 was 22,981,112.

CORE LABORATORIES N.V.
FORM 10-Q FOR THE QUARTER ENDED SEPTEMBER 30, 2009

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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)

| | September 30, 2009 | December 31, 2008 |
|--|-----------------------|----------------------|
| (Unaudited) | | |
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 137,225 | \$ 36,138 |
| Accounts receivable, net of allowance for doubtful accounts of \$4,544 and \$3,535 at 2009 and 2008, respectively | 117,981 | 144,293 |
| Inventories, net | 34,317 | 34,838 |
| Prepaid expenses and other current assets | 18,759 | 20,376 |
| TOTAL CURRENT ASSETS | 308,282 | 235,645 |
| PROPERTY, PLANT AND EQUIPMENT, net | 97,966 | 103,463 |
| INTANGIBLES, net | 6,637 | 6,992 |
| GOODWILL | 148,600 | 148,600 |
| DEFERRED TAX ASSET | 17,123 | 17,708 |
| OTHER ASSETS | 12,191 | 9,127 |
| TOTAL ASSETS | \$ 590,799 | \$ 521,535 |
| LIABILITIES AND EQUITY | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | \$ 27,981 | \$ 41,588 |
| Accrued payroll and related costs | 25,174 | 28,637 |
| Taxes other than payroll and income | 7,766 | 7,949 |
| Unearned revenues | 6,615 | 7,932 |
| Income tax payable | 7,140 | - |
| Other accrued expenses | 10,938 | 9,584 |
| TOTAL CURRENT LIABILITIES | 85,614 | 95,690 |
| LONG-TERM DEBT | 205,377 | 194,568 |
| DEFERRED COMPENSATION | 16,124 | 12,815 |
| OTHER LONG-TERM LIABILITIES | 33,625 | 30,177 |
| COMMITMENTS AND CONTINGENCIES | | |
| EQUITY: | | |
| Preference shares, EUR 0.04 par value; 3,000,000 shares authorized, none issued or outstanding | - | - |
| Common shares, EUR 0.04 par value; 100,000,000 shares authorized, 25,519,956 issued and 22,980,612 outstanding at 2009 | | |

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| | | |
|--|------------|------------|
| and 25,519,956 issued and 23,020,033 outstanding at 2008 | 1,430 | 1,430 |
| Additional paid-in capital | 50,134 | 53,019 |
| Retained earnings | 448,136 | 382,266 |
| Accumulated other comprehensive (loss) | (4,751) | (4,927) |
| Treasury shares (at cost), 2,539,344 at 2009 and 2,499,923 at 2008 | (247,133) | (245,661) |
| Total Core Laboratories N.V. shareholders' equity | 247,816 | 186,127 |
| Non-controlling interest | 2,243 | 2,158 |
| TOTAL EQUITY | 250,059 | 188,285 |
| TOTAL LIABILITIES AND EQUITY | \$ 590,799 | \$ 521,535 |

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 September 30, | |
|--|----------------------------------|------------|
| | 2009 | 2008 |
| | (Unaudited) | |
| REVENUES: | | |
| Services | \$ 133,819 | \$ 154,297 |
| Product sales | 33,983 | 48,226 |
| | 167,802 | 202,523 |
| OPERATING EXPENSES: | | |
| Cost of services, exclusive of depreciation expense shown below | 85,792 | 100,264 |
| Cost of product sales, exclusive of depreciation expense shown below | 26,383 | 33,941 |
| General and administrative expenses | 6,637 | 6,857 |
| Depreciation | 5,840 | 5,355 |
| Amortization | | |