

RPC INC
Form 10-Q
November 03, 2014

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

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2014

Commission File No. 1-8726

RPC, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

58-1550825

(I.R.S. Employer Identification Number)

2801 Buford Highway, Suite 520, Atlanta, Georgia 30329
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code -- (404) 321-2140

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 x No o

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 x No o

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 definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer x

Accelerated filer o

Non-accelerated filer o (Do not check if a smaller reporting company)

Smaller reporting company
o

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

As of October 24, 2014, RPC, Inc. had 218,601,969 shares of common stock outstanding.

RPC, INC. AND SUBSIDIARIES
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RPC, INC. AND SUBSIDIARIES
PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2014 AND DECEMBER 31, 2013
(In thousands)
(Unaudited)

	September 30, 2014	December 31, 2013 (Note 1)
ASSETS		
Cash and cash equivalents	\$ 8,522	\$ 8,700
Accounts receivable, net	591,585	437,132
Inventories	153,948	126,604
Deferred income taxes	10,851	14,185
Income taxes receivable	11,081	5,720
Prepaid expenses	5,507	9,143
Other current assets	3,562	3,441
Total current assets	785,056	604,925
Property, plant and equipment, less accumulated depreciation of \$1,199,595 in 2014 and \$1,069,321 in 2013	775,714	726,307
Goodwill	32,150	31,861
Other assets	23,113	20,767
Total assets	\$ 1,616,033	\$ 1,383,860
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	\$ 182,123	\$ 119,170
Accrued payroll and related expenses	41,446	36,638
Accrued insurance expenses	5,526	6,072
Accrued state, local and other taxes	10,609	5,002
Income taxes payable	558	-
Other accrued expenses	1,214	1,170
Total current liabilities	241,476	168,052
Long-term accrued insurance expenses	10,082	10,225
Notes payable to banks	152,000	53,300
Long-term pension liabilities	22,786	21,966
Deferred income taxes	114,459	153,176
Other long-term liabilities	14,285	8,439
Total liabilities	555,088	415,158
Common stock	21,860	21,899
Capital in excess of par value	-	-
Retained earnings	1,049,636	956,918
Accumulated other comprehensive loss	(10,551)	(10,115)

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Total stockholders' equity		1,060,945	968,702
Total liabilities and stockholders' equity	\$	1,616,033	\$ 1,383,860

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

RPC, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
 FOR THE THREE MONTHS AND NINE MONTHS ENDED SEPTEMBER 30, 2014 AND 2013
 (In thousands except per share data)
 (Unaudited)

	Three months ended September		Nine months ended September 30,	
	2014	30, 2013	2014	2013
Revenues	\$ 620,684	\$ 491,121	\$ 1,705,207	\$ 1,374,508
Cost of revenues (exclusive of items shown below)	398,306	303,707	1,102,596	859,512
Selling, general and administrative expenses	50,814	47,096	147,125	139,621
Depreciation and amortization	57,219	53,211	169,241	158,799
Loss on disposition of assets, net	7,684	1,268	11,321	5,665
Operating profit	106,661	85,839	274,924	210,911