

Helmerich & Payne, Inc.  
Form 10-Q  
August 01, 2018  
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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 quarterly period ended: June 30, 2018

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: 1-4221

HELMERICH & PAYNE, INC.

(Exact name of registrant as specified in its charter)

Delaware	73-0679879
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer I.D. Number)

1437 South Boulder Avenue, Tulsa, Oklahoma, 74119

(Address of principal executive office)(Zip Code)

(918) 742-5531

(Registrant's telephone number, including area code)

N/A

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

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Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Emerging growth company

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

CLASS

OUTSTANDING AT July 31, 2018

Common Stock, \$0.10 par value

108,943,754

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HELMERICH & PAYNE, INC. AND SUBSIDIARIES

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## PART I. FINANCIAL INFORMATION

## HELMERICH &amp; PAYNE, INC. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

(UNAUDITED)

(in thousands, except share and per share amounts)

## ITEM 1. FINANCIAL STATEMENTS

	June 30, 2018	September 30, 2017
	(in thousands)	
Assets		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 306,426	\$ 521,375
Short-term investments	44,279	44,491
Accounts receivable, net of allowance of \$5,786 and \$5,721, respectively	565,321	477,074
Inventories	152,109	137,204
Prepaid expenses and other	65,343	55,120
Current assets - discontinued operations	—	3
Total current assets	1,133,478	1,235,267
<b>NONCURRENT ASSETS:</b>		
Investments	92,702	84,026
Property, plant and equipment, net	4,883,378	5,001,051
Goodwill	69,496	51,705
Intangible assets, net	75,564	50,785
Other assets	11,254	17,154
Total noncurrent assets	5,132,394	5,204,721
<b>TOTAL ASSETS</b>	<b>\$ 6,265,872</b>	<b>\$ 6,439,988</b>
Liabilities and Shareholders' Equity		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 143,732	\$ 135,628
Accrued liabilities	237,935	208,683
Current liabilities - discontinued operations	1	74
Total current liabilities	381,668	344,385
<b>NONCURRENT LIABILITIES:</b>		
Long-term debt less unamortized discount and debt issuance costs	493,700	492,902
Deferred income taxes	833,738	1,332,689
Other	99,727	101,409

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Noncurrent liabilities - discontinued operations	14,548	4,012
Total noncurrent liabilities	1,441,713	1,931,012
SHAREHOLDERS' EQUITY:		
Common stock, \$.10 par value, 160,000,000 shares authorized, 112,008,961 shares and 111,956,875 shares issued as of June 30, 2018 and September 30, 2017, respectively, and 108,943,554 shares and 108,604,047 shares outstanding as of June 30, 2018 and September 30, 2017, respectively	11,201	11,196
Preferred stock, no par value, 1,000,000 shares authorized, no shares issued	—	—
Additional paid-in capital	494,604	487,248
Retained earnings	4,103,418	3,855,686
Accumulated other comprehensive income	8,942	2,300
Treasury stock, at cost	4,618,165	4,356,430
	(175,674)	(191,839)
Total shareholders' equity	4,442,491	4,164,591
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 6,265,872	\$ 6,439,988

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

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## HELMERICH &amp; PAYNE, INC. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(UNAUDITED)

(in thousands, except per share data)

	Three Months Ended		Nine Months Ended	
	June 30,	2017	June 30,	2017
	2018		2018	
Operating revenues				
Drilling - U.S. Land	\$ 536,582	\$ 405,516	\$ 1,480,951	\$ 1,000,119
Drilling - Offshore	37,669	33,711	104,018	103,758
Drilling - International Land	63,297	55,075	178,970	157,863
Other	11,324	4,262	26,504	10,697
	648,872	498,564	1,790,443	1,272,437
Operating costs and expenses				
Operating costs, excluding depreciation and amortization	444,511	337,463	1,203,150	881,971
Depreciation and amortization	144,579			