

OMNI ENERGY SERVICES CORP

Form 10-Q

May 07, 2009

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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 the Quarterly period ended March 31, 2009

or

**Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**  
For the transition period to

COMMISSION FILE NUMBER 0-23383

**OMNI ENERGY SERVICES CORP.**

(Exact name of registrant as specified in its charter)

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**LOUISIANA**  
(State or other jurisdiction of  
incorporation or organization)

**72-1395273**  
(I.R.S. Employer  
Identification No.)

**4500 N.E. EVANGELINE THRUWAY**

**CARENCRO, LOUISIANA**  
(Address of principal executive offices)

**70520**  
(Zip Code)

**Registrant's telephone number, including area code: (337) 896-6664**

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 definition 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

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

As of May 4, 2009 there were 20,663,996 shares of the Registrant's common stock, \$0.01 par value per share, outstanding.

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**OMNI ENERGY SERVICES CORP**

**FORM 10-Q**

**FOR THE QUARTERLY PERIOD ENDED MARCH 31, 2009**

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**Table of Contents****PART I FINANCIAL INFORMATION****ITEM 1. FINANCIAL STATEMENTS****OMNI ENERGY SERVICES CORP.****CONSOLIDATED BALANCE SHEETS**

	December 31, 2008	March 31, 2009 (unaudited)
(Dollars in thousands, except per share amounts)		
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 2,043	\$ 1,472
Restricted cash	942	
Trade receivables, net	33,848	24,896
Other receivables	682	84
Parts and supplies inventory	7,897	7,444
Prepaid expenses and other current assets	5,789	3,742
Deferred tax assets	384	
Due from related party	204	195
Assets held for sale	900	900
Total current assets	52,689	38,733
PROPERTY, PLANT AND EQUIPMENT, net	80,654	78,524
<b>OTHER ASSETS:</b>		
Goodwill	8,614	8,614
Customer intangible assets, net	2,726	2,607
Licenses, permits and other intangible assets, net	13,626	13,374
Loan closing costs, net	4,963	4,674
Other assets	250	250
Total other assets	30,179	29,519
<b>TOTAL ASSETS</b>	<b>\$ 163,522</b>	<b>\$ 146,776</b>
<b>LIABILITIES AND STOCKHOLDERS EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 12,005	\$ 6,631
Accrued expenses	7,599	6,417
Line of credit	9,801	5,000
Current maturities of long-term debt	17,564	18,418
Insurance notes payable	1,710	859
Total current liabilities	48,679	37,325
<b>LONG-TERM LIABILITIES:</b>		
Long-term debt, less current maturities	45,710	39,316
Other long-term liabilities	527	440

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Deferred tax liabilities	17,597	17,478
Total long-term liabilities	63,834	57,234
Total liabilities	112,513	94,559

COMMITMENTS AND CONTINGENCIES

STOCKHOLDERS EQUITY:

Convertible Preferred stock, no par value, 5,000,000 shares authorized; 29 shares of Series B issued and outstanding at December 31, 2008 and March 31, 2009 and 5,396 shares of Series C issued and outstanding at December 31, 2008 and March 31, 2009, respectively, liquidation preference of \$1,000 per share	1,074	1,074
Common stock, \$0.01 par value, 45,000,000 shares authorized; 20,647,496 and 20,663,996 issued and outstanding at December 31, 2008 and March 31, 2009, respectively	206	206
Preferred stock dividends declared	3	3
Additional paid-in capital	99,045	99,443
Accumulated deficit	(49,319)	(48,509)
Total stockholders equity	51,009	52,217
TOTAL LIABILITIES AND STOCKHOLDERS EQUITY	\$ 163,522	\$ 146,776

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

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**OMNI ENERGY SERVICES CORP.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(unaudited)**

	Three Months Ended March 31,	
	2008	2009
(in thousands, except per share amounts)		
Operating revenue		
Services	\$ 32,590	\$ 25,981
Rentals	8,371	8,923
Total operating revenue	40,961	34,904
Operating expenses:		
Direct costs (exclusive of depreciation and amortization shown separately below)		
Services	24,975	18,178
Rentals	4,124	4,453
Depreciation and amortization	2,814	3,337
General and administrative expenses	8,778	6,172
Total operating expenses	40,691	32,140
Operating income	270	2,764
Interest expense	(1,990)	(1,040)
Other expense, net	(246)	(10)
Income (loss) before income tax expense	(1,966)	1,714
Provision for income tax (expense) benefit	562	(784)
Net income (loss)	(1,404)	930
Dividends on preferred stock	(123)	(120)
Net income (loss) available to common stockholders	\$ (1,527)	\$ 810
Basic income (loss) per share:		
Net income (loss) available to common stockholders	\$ (0.08)	\$ 0.04
Diluted income (loss) per share:		
Net income (loss) available to common stockholders	\$ (0.08)	\$ 0.04
Weighted average common shares outstanding:		
Basic	19,070	20,577
Diluted	19,070	24,226

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

**Table of Contents****OMNI ENERGY SERVICES CORP.****CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY****FOR THE THREE MONTHS ENDED MARCH 31, 2009****(unaudited)****(in thousands, except share amounts)**

	Preferred Stock		Common Stock	
	Shares	Amount	Shares	Amount
BALANCE, December 31, 2008	5,425	\$ 1,074	20,647,496	\$ 206
Stock based compensation				
Restricted stock awards, net of forfeitures			16,500	
Preferred stock dividends declared				
Net income				
BALANCE, March 31, 2009	5,425	\$ 1,074	20,663,996	\$ 206

  

	Preferred Stock	Additional	Accumulated	Total
	Dividends	Paid-In	Deficit	
	Declared	Capital		
BALANCE, December 31, 2008	\$ 3	\$ 99,045	\$ (49,319)	\$ 51,009
Stock based compensation		398		398
Restricted stock awards, net of forfeitures				
Preferred stock dividends declared			(120)	(120)
Net income			930	930
BALANCE, March 31, 2009	\$ 3	\$ 99,443	\$ (48,509)	\$ 52,217

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

**Table of Contents****OMNI ENERGY SERVICES CORP.****CONSOLIDATED STATEMENTS OF CASH FLOWS****(unaudited)**

	<b>Three Months Ended March 31,</b>	
	<b>2008</b>	<b>2009</b>
	<b>(in thousands)</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net income (loss)	\$ (1,404)	\$ 930
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	2,814	3,337
Amortization of deferred loan issuance costs	259	289
Loss on fixed asset dispositions	292	16
Stock based compensation expense	195	398
Accretion of discount on convertible notes and other	38	13
Provision for doubtful accounts	66	64
Deferred income taxes	(756)	769
Changes in operating assets and liabilities:		
Trade receivables	(1,585)	8,889
Other receivables	13	607
Parts and supplies inventory	(657)	453
Prepaid expenses and other current assets	1,306	1,542
Other assets	(242)	
Accounts payable and accrued expenses	7,119	(6,553)
Other long term liabilities		(100)
<b>Net cash provided by operating activities</b>	<b>7,458</b>	<b>10,654</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment		