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ATWOOD OCEANICS INC
Form 8-K
July 29, 2003

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D. C. 20549

Form 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15 (d)
OF THE SECURITIES EXCHANGE ACT OF 1934

DATE OF EARLIEST EVENT REPORTED: July 29, 2003

ATWOOD OCEANICS, INC.
(Exact name of registrant as specified in its charter)

COMMISSION FILE NUMBER 1-13167

TEXAS
(State or other jurisdiction of
incorporation or organization)

74-1611874
(I.R.S. Employer Identification No.)

15835 Park Ten Place Drive
Houston, Texas
(Address of principal executive offices)

77084
(Zip Code)

Registrant's telephone number, including area code: 281-749-7800

N/A
(Former name or former address, if changed since last report.)

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ITEM 7. EXHIBITS

- EXHIBIT 99.1 PRESS RELEASE DATED JULY 29, 2003
- EXHIBIT 99.2 CONSOLIDATED STATEMENT OF OPERATIONS FOR THE THREE MONTHS AND NINE MONTHS ENDED JUNE 30, 2003 AND 2002
- EXHIBIT 99.3 ANALYSIS OF CONTRACT REVENUES AND DRILLING COSTS FOR THE THREE MONTHS AND NINE MONTHS ENDED JUNE 30, 2003
- EXHIBIT 99.4 CONSOLIDATED BALANCE SHEETS AT JUNE 30, 2003 AND SEPTEMBER 30, 2002
- EXHIBIT 99.5 CONTRACT STATUS SUMMARY AT JULY 29, 2003

ITEM 9. REGULATION FD DISCLOSURE

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On July 29, 2003, the Company announced its earnings for the Fiscal Year 2003 Third Quarter ended June 30, 2003. A copy of the press release summarizing these earnings is filed with this Form 8-K as exhibit 99.1 and is incorporated herein by reference.

Statements contained in this report with respect to the future are forward-looking statements. These statements reflect management's reasonable judgment with respect to future events. Forward-looking statements involve risks and uncertainties. Actual results could differ materially from those anticipated as a result of various factors; the Company's dependence on the oil and gas industry; the risks involved the construction of a rig; competition; operating risks; risks involved in foreign operations; risks associated with possible disruption in operations due to terrorism; risks associated with a possible disruption in operations due to a war with Iraq; and governmental regulations and environmental matters. A list of additional risk factors can be found in the Company' annual report on Form 10-K for the year ended September 30, 2002, filed with the Securities and Exchange Commission.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ATWOOD OCEANICS, INC.
(Registrant)

/s/ James M. Holland
James M. Holland
Senior Vice President

DATE: July 29, 2003

EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
99.1	Press Release dated July 29, 2003
99.2	Consolidated Statements of Operations for the Three Months and Nine Months ended June 30, 2003 and 2002

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- 99.3 Analysis of Contract Revenues and Drilling Costs for the Three Months and Nine Months ended June 30, 2003
- 99.4 Consolidated Balance Sheets at June 30, 2003 and September 30, 2002
- 99.5 Contract Status Summary at July 29, 2003

EXHIBIT 99.1

Houston, Texas
29 July 2003

FOR IMMEDIATE RELEASE

Atwood Oceanics, Inc., Houston-based International Drilling Contractor, announced today that the Company reported a net loss of \$82,000 or \$.01 per diluted share, on contract revenues of \$41,847,000 for the quarter ended June 30, 2003, compared to net income of \$6,132,000 or \$.44 per diluted share on contract revenues of \$37,402,000 for the quarter ended June 30, 2002. For the nine months ended June 30, 2003, the Company earned net income of \$1,455,000 or \$.10 per diluted share, on contract revenues of \$106,761,000 compared to net income of \$21,120,000 or \$1.51 per diluted share, on contract revenues of \$118,376,000 for the nine months ended June 30, 2002.

	FOR THE THREE MONTHS ENDED JUNE 30, 2003	2002
	-----	-----
Contract Revenues	\$ 41,847,000	\$37,402,000
	=====	=====
Income before Income Taxes	2,207,000	9,174,000
Provision for Income Taxes	(2,289,000)	(3,042,000)
	-----	-----
Net Income	(82,000)	6,132,000
	=====	=====
Earnings per Common Share -		
Basic	(.01)	.44
Diluted	(.01)	.44
Weighted Average Shares		
Outstanding -		
Basic	13,847,000	13,843,000
Diluted	13,902,000	14,048,000

	FOR THE NINE MONTHS ENDED JUNE 30, 2003	2002
	-----	-----
Contract Revenues	\$106,761,000	\$118,376,000
	=====	=====
Income before Income Taxes	6,009,000	32,276,000
Provision for Income Taxes	(4,554,000)	(11,156,000)
	-----	-----
Net Income	1,455,000	21,120,000
	=====	=====
Earnings per Common Share -		

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Basic	.11	1.53
Diluted	.10	1.51
Weighted Average Shares		
Outstanding -		
Basic	13,846,000	13,839,000
Diluted	13,903,000	13,984,000

Contact: Jim Holland
(281) 749-7804

EXHIBIT 99.2

ATWOOD OCEANICS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Three Months Ended June 30,		Nine M J
	2003	2002	2003
	(Unaudited)		(U
REVENUES:			
Contract drilling	\$ 41,847	\$ 37,402	\$106,761
COSTS AND EXPENSES:			
Contract drilling	27,635	19,493	71,094
Depreciation	6,783	5,958	18,025
General and administrative	3,023	2,336	8,822
	37,441	27,787	97,941
OPERATING INCOME	4,406	9,615	8,820
OTHER INCOME (EXPENSE)			
Interest expense	(2,239)	(501)	(2,950)
Interest income	40	60	139
	(2,199)	(441)	(2,811)
INCOME BEFORE INCOME TAXES	2,207	9,174	6,009
PROVISION FOR INCOME TAXES	2,289	3,042	4,554
NET INCOME	\$ (82)	\$ 6,132	\$ 1,455
EARNINGS PER SHARE			

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Basic	\$ (.01)	\$.44	\$.11
Diluted	\$ (.01)	\$.44	\$.10
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING			
Basic	13,847	13,843	13,846
Diluted	13,902	14,048	13,903

EXHIBIT 99.3

ATWOOD OCEANICS, INC. AND SUBSIDIARIES
ANALYSIS OF CONTRACT REVENUES
AND DRILLING COSTS
(Unaudited)

FOR THE THREE MONTHS ENDED JUNE 30, 2003

	CONTRACT DRILLING REVENUES -----	(In Millions)	CONTRACT DRILLING COSTS -----
ATWOOD FALCON	\$ 9.6		\$ 5.8
ATWOOD EAGLE	7.7		6.8
VICKSBURG	6.3		2.2
SEAHAWK	5.9		2.2
ATWOOD SOUTHERN CROSS	4.9		3.9
ATWOOD HUNTER	4.8		3.3
RICHMOND	2.2		2.2
OTHER	0.4		1.2
	-----		-----
	\$41.8		\$27.6
	=====		=====

FOR THE NINE MONTHS ENDED JUNE 30, 2003

	CONTRACT DRILLING REVENUES -----	(In Millions)	CONTRACT DRILLING COSTS -----
ATWOOD FALCON	\$25.4		\$15.5
VICKSBURG	18.6		7.0
SEAHAWK	16.9		7.6
ATWOOD HUNTER	14.8		10.1
ATWOOD SOUTHERN CROSS	12.8		11.9
ATWOOD EAGLE	10.6		8.9
RICHMOND	6.3		6.3
OTHER	1.4		3.8

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\$106.8	\$71.1
=====	=====

EXHIBIT 99.4
 ATWOOD OCEANICS, INC. AND SUBSIDIARIES
 CONSOLIDATED BALANCE SHEETS
 (In thousands)

	JUN. 30, 2003 (Unaudited)	SEP. 30, 2002
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$12,950	\$27,055
Accounts receivable	33,260	28,776
Inventories of materials and supplies at lower of average cost or market	11,757	9,134
Deferred tax assets	223	223
Prepaid expenses	1,757	6,625
Total Current Assets	59,947	71,813
PROPERTY AND EQUIPMENT:		
Drilling vessels, equipment and drill pipe	658,055	583,241
Other	9,226	9,156
	667,281	592,397
Less-accumulated depreciation	230,669	224,000
Net Property and Equipment	436,612	368,397
DEFERRED COSTS AND OTHER ASSETS		
	10,702	4,320
	\$507,261	\$444,530
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current maturities of notes payable	\$18,121	\$5,023
Accounts payable	3,752	5,584
Accrued liabilities	8,801	13,809
Total Current Liabilities	30,674	24,416
LONG-TERM NOTES PAYABLE, net of current maturities:		
	172,000	115,000
	172,000	115,000
OTHER LIABILITIES		
Deferred tax liabilities	16,420	15,545

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Deferred credits	10,569	13,436
	-----	-----
	26,989	28,981
	-----	-----
SHAREHOLDERS' EQUITY:		
Preferred stock, no par value; 1,000,000 shares authorized, none outstanding	0	0
Common stock, \$1 par value, 20,000,000 shares authorized with 13,847,000 and 13,845,000 issued and outstanding as of June 30, 2003 and September 30, 2002, respectively	13,847	13,845
Paid-in capital	57,282	57,274
Retained earnings	206,469	205,014
	-----	-----
Total Shareholders' Equity	277,598	276,133
	-----	-----
	\$507,261	\$444,530
	=====	=====

EXHIBIT 99.5
ATWOOD OCEANICS, INC. AND SUBSIDIARIES
CONTRACT STATUS SUMMARY
AT JULY 29, 2003

NAME OF RIG -----	LOCATION -----	CUSTOMER -----	CONTRACT STATUS -----
SEMISUBMERSIBLES - -----			
ATWOOD FALCON	MALAYSIA	MURPHY SABAH OIL CO. AND SARAWAK SHELL	The rig has commenced a d Malaysia to drill one wel Oil Co and one well for S drilling of these wells s 100 and 140 days to compl option to drill one addit later date. Following co in Malaysia, the rig will to drill two wells estima 120 days to complete.
ATWOOD HUNTER	EGYPT		The rig is currently stac waiting for its next cont There are short-term cont for the rig commencing in October 2003. Future con for additional work are b Mediterranean area, as we of the Mediterranean.
ATWOOD EAGLE	ANGOLA	ESSO EXPLORATION ANGOLA (BLOCK 15) LIMITED ("ESSO")	The rig is preparing to o of the third well of a fi contract with ESSO off th ESSO has options for four

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			<p>If no option wells are drilled, the rig could terminate around the end of the year in early September 2003. Contract options for additional work in Africa and other areas in West Africa are being reviewed.</p>
SEAHAWK	MALAYSIA	EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC. ("EMEPMI")	<p>The rig's current contract expires in December 2004, with an option for the Operator to extend. EMEPMI has the right to terminate the contract after 120 days of the first six months of the contract period (which commences in December 2004) with 120 days written notice.</p>
ATWOOD SOUTHERN CROSS	MEDITERRANEAN SEA	EDISON GAS S.p.A. ("EDISON")	<p>The rig is contracted to complete three plug and abandonment operations expected to be completed in 2003. The rig is currently in Egypt following the completion of its contract. The rig is expected to be in Egypt while waiting for an opportunity. Contract options for future work are being pursued in the Mediterranean area, as well as in the Gulf of the Mediterranean.</p>
SEASCOUT	UNITED STATES GULF OF MEXICO		<p>The SEASCOUT was purchased for future conversion to a unit, similar to the SEAHAWK unit, under an acceptable contract opportunity. The rig is currently cold stack.</p>
CANTILEVER JACK-UPS - ----- VICKSBURG	MALAYSIA	EXXONMOBIL EXPLORATION & PRODUCTION MALAYSIA INC.	<p>In October 2002, the rig was awarded a drilling program (with an option for one additional year), the right to terminate the contract after one year with at least 120 days written notice period.</p>
ATWOOD BEACON	SINGAPORE		<p>The final commissioning of the rig continues on schedule. The completion of the construction was completed in 2003, with equipment commissioning testing currently being completed. Following completion and installation of and third-party equipment, the rig was moved to Malaysia around 2003 to drill three wells plus options for additional wells for Murphy Oil Company Ltd. The three firm wells are expected to be completed in early October 2003. Opportunities for additional work, including completion of the Murphy contract, are being pursued.</p>
SUBMERSIBLE - ----- RICHMOND	UNITED STATES GULF OF MEXICO	SPINNAKER EXPLORATION COMPANY, L.L.C.	<p>The rig is currently working on a one-well, plus options for additional wells contract for Spinnaker Company, L.L.C. The one-well contract is being</p>

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MODULAR PLATFORMS -

GOODWYN 'A' /NORTH
RANKIN 'A'

AUSTRALIA

WOODSIDE ENERGY LTD.

expected to be completed
third week of August 2003

There is currently an ind
break in drilling activit
client-owned rigs managed
The Company is involved i
two rigs for future drill