

NEWPARK RESOURCES INC  
Form 10-Q  
April 26, 2013

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, 2013

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 No. 1-2960

Newpark Resources, Inc.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

72-1123385  
(I.R.S. Employer  
Identification No.)

2700 Research Forest Drive, Suite 100  
The Woodlands, Texas  
(Address of principal executive offices)

77381  
(Zip Code)

(281) 362-6800  
(Registrant's telephone number, including area code)

Not Applicable  
(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                    ü                    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 definitions of "large accelerated filer", "accelerated filer" and "small reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer   

Accelerated filer

Non-accelerated filer            (Do not check if a smaller reporting company)    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 April 17, 2013 a total of 86,156,321 shares of common stock, \$0.01 par value per share, were outstanding.

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## NEWPARK RESOURCES, INC.

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FOR THE THREE MONTHS ENDED  
MARCH 31, 2013

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**CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, as amended. We also may provide oral or written forward-looking statements in other materials we release to the public. The words “anticipates,” “believes,” “estimates,” “expects,” “plans,” “intends,” and similar expressions are intended to identify these forward-looking statements but are not the exclusive means of identifying them. These forward-looking statements reflect the current views of our management; however, various risks, uncertainties and contingencies, including the risks identified in Item 1A, “Risk Factors,” in Part I of our Annual Report on Form 10-K for the year ended December 31, 2012, and those set forth from time to time in our filings with the Securities and Exchange Commission, could cause our actual results, performance or achievements to differ materially from those expressed in, or implied by, these statements, including the success or failure of our efforts to implement our business strategy.

We assume no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities laws. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Quarterly Report on Form 10-Q might not occur.

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For further information regarding these and other factors, risks and uncertainties affecting us, we refer you to the risk factors set forth in Item 1A, "Risk Factors", in Part I of our Annual Report on Form 10-K for the year ended December 31, 2012.

## PART I FINANCIAL INFORMATION

## ITEM 1. Financial Statements

Newpark Resources, Inc.  
Condensed Consolidated Balance Sheets  
(Unaudited)

(In thousands, except share data)	March 31, 2013	December 31, 2012
<b>ASSETS</b>		
Cash and cash equivalents	\$ 41,710	\$ 46,846
Receivables, net	343,850	323,439
Inventories	210,264	209,734
Deferred tax asset	11,440	11,596
Prepaid expenses and other current assets	14,491	12,441
Total current assets	621,755	604,056
Property, plant and equipment, net	264,399	253,990
Goodwill	88,666	87,388
Other intangible assets, net	36,310	41,018
Other assets	8,062	8,089
Total assets	\$ 1,019,192	\$ 994,541
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Short-term debt	\$ 8,990	\$ 2,599
Accounts payable	121,356	114,377
Accrued liabilities	45,136	42,620
Total current liabilities	175,482	159,596
Long-term debt, less current portion	242,807	256,832
Deferred tax liability	46,523	46,348
Other noncurrent liabilities	20,573	18,187
Total liabilities	485,385	480,963
Commitments and contingencies (Note 6)		
Common stock, \$0.01 par value, 200,000,000 shares authorized and 96,224,385 and 95,733,677 shares issued, respectively	962	957
Paid-in capital	490,297	484,962
Accumulated other comprehensive loss	(3,498 )	(734 )
Retained earnings	112,390	95,015
Treasury stock, at cost; 10,073,767 and 10,115,951 shares, respectively	(66,344 )	(66,622 )
Total stockholders' equity	533,807	513,578
Total liabilities and stockholders' equity	\$ 1,019,192	\$ 994,541

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements



Newpark Resources, Inc.  
 Condensed Consolidated Statements of Operations  
 (Unaudited)

(In thousands, except per share data)	Three Months Ended March 31,	
	2013	2012
Revenues	\$ 282,518	\$ 262,336
Cost of revenues	230,406	214,902
Selling, general and administrative expenses	24,182	21,313
Other operating income, net	(439 )	(14 )
Operating income	28,369	26,135
Foreign currency exchange gain	(368 )	(230 )
Interest expense, net	2,520	2,368
Income from operations before income taxes	26,217	23,997
Provision for income taxes	8,842	8,363
Net income	\$ 17,375	\$ 15,634
Income per common share -basic:	\$ 0.21	\$ 0.17
Income per common share -diluted:	\$ 0.18	\$ 0.16

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements

Newpark Resources, Inc.  
 Condensed Consolidated Statements of Comprehensive Income  
 (Unaudited)

(In thousands)	Three Months Ended March 31,	
	2013	2012
Net income	\$ 17,375	\$ 15,634
Foreign currency translation adjustments	(2,764 )	3,995
Comprehensive income	\$ 14,611	\$ 19,629

See Accompanying Notes to Unaudited Condensed Consolidated Financial Statements



Newpark Resources, Inc.  
 Condensed Consolidated Statements of Cash Flows  
 (Unaudited)

(In thousands)	Three Months Ended March 31,	
	2013	2012
<b>Cash flows from operating activities:</b>		
Net income	\$ 17,375	\$ 15,634
<b>Adjustments to reconcile net income to net cash provided by operations:</b>		
Depreciation and amortization	10,954	8,018
Stock-based compensation expense	1,973	1,383