

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2005-05-02** | Period of Report: **2005-05-02**
SEC Accession No. **0000950129-05-004488**

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FILER

PARKER DRILLING CO /DE/

CIK: **76321** | IRS No.: **730618660** | State of Incorporation: **DE** | Fiscal Year End: **0831**
Type: **8-K** | Act: **34** | File No.: **001-07573** | Film No.: **05788381**
SIC: **1381** Drilling oil & gas wells

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1401 ENCLAVE PARKWAY
SUITE 600
HOUSTON TX 77077

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

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

Date of report (Date of earliest event reported): May 2, 2005

PARKER DRILLING COMPANY
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction of Incorporation)

1-7573
(Commission File Number)

73-0618660
(IRS Employer Identification No.)

1401 Enclave Parkway, Suite 600, Houston, Texas
(Address of Principal Executive Offices)

77077
(Zip Code)

(281) 406-2000
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Item 2.02 Results of Operations and Financial Condition

On May 2, 2005, Parker Drilling Company (the "Company") issued a press release announcing results of operations for the first quarter of 2005.

A copy of this press release is attached as Exhibit 99 to this Report on Form 8-K. This information is being furnished pursuant to Item 2.02 of Form 8-K and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits

(c) Exhibits.

The following exhibit is furnished herewith:

99 Press release dated May 2, 2005, issued by the Company

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.

PARKER DRILLING COMPANY

Date: May 2, 2005

By: /s/ Robert L. Parker Jr.

Name: Robert L. Parker Jr.

Its: President and Chief Executive Officer

Exhibit Index

Exhibit No.

Description

99

Press Release dated May 2, 2005,
issued by the Company

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PARKER DRILLING REPORTS SOLID EARNINGS IMPROVEMENT IN FIRST QUARTER

HOUSTON, May 2, 2005 - Parker Drilling Company (NYSE: PKD) today reported net income of \$3.9 million, or \$0.04 per share, on revenues of \$120.2 million for the first quarter ended March 31, 2005, compared to a net loss of \$4.9 million or \$0.05 per share on revenues of \$90.9 million for the first quarter of 2004. The first quarter of 2005 included certain non-routine items that negatively impacted earnings by \$0.01 per share. The non-routine items included the premium paid on debt extinguishment, expense related to the vesting of restricted shares partially offset by the change in fair value of derivatives.

The average utilization of international land rigs for the first quarter of 2005 was 67 percent, which is a significant improvement to the 46 percent reported for the first quarter of 2004. Current utilization is 76 percent for international land rigs. Average utilization of Parker Drilling's Gulf of Mexico barge rigs for the first quarter of 2005 was 77 percent, which is an increase from the 62 percent reported for the first quarter of 2004. Dayrates on Gulf of Mexico barges increased an average of 24 percent for the first quarter of 2005 compared to the same period of the prior year. A portion of the change in utilization for the Gulf of Mexico was due to the transfer of the idle barge rig 72 from Nigeria to the Gulf of Mexico. The rig was refurbished during the first quarter and began work on a new contract last week. Current utilization is 79 percent for Gulf of Mexico barge rigs.

"This quarter marks the first time we have reported net income since 2001. This return to profitability is the result of our ongoing restructuring of our balance sheet and asset focus. Our improved earnings are due to continued strong utilization enhanced by increasing dayrates in our Gulf of Mexico barge fleet, strong performance from our premium rental tools business, Quail Tools, and reduced interest expense. In addition to the positive earnings for the quarter, we generated sufficient cash to increase the call for redemption on April 21, 2005 of our 10 1/8% Senior Notes to \$65 million, by approximately \$9.5 million above the proceeds from the add-on financing to our 9 5/8% Senior Notes," said Bobby Parker, president and chief executive officer.

Capital expenditures for the three months ended March 31, 2005, were \$12.6 million. Total debt was \$456.0 million at March 31, 2005, and the Company's cash balance was \$66.3 million.

Parker has scheduled a conference call at 10 a.m. CDT (11 a.m. EDT) May 2 to discuss first quarter 2005 results. Those interested in participating in the call may dial in at (303) 262-2137. The conference call replay can be accessed from noon CDT May 2, 2005 through May 9, 2005, by dialing (303) 590-3000 and using the access code 11027810#. Alternatively, the call can be accessed live through the Parker Web site at <http://www.parkerdrilling.com>. The archived call will be available on the Web for 12 months.

Parker Drilling is a Houston-based, global energy company specializing in offshore drilling and work over services in the Gulf of Mexico and international land and offshore markets. Parker also owns Quail Tools, a provider of premium industry rental tools. Parker Drilling employs approximately 3,000 people worldwide, and has 56 marketed rigs.

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This release contains certain statements that may be deemed to be "forward-looking statements" within the meaning of the Securities Acts. All statements, other than statements of historical facts, that address activities, events or developments that the Company expects, projects, believes or anticipates will or may occur in the future, the outlook for rig utilization and dayrates, general industry conditions including bidding activity, future operating results of the Company's rigs and rental tool operations, capital expenditures, expansion and growth opportunities, asset sales and other such matters, are forward-looking statements. Although the Company believes that its

expectations stated in this release are based on reasonable assumptions, actual results may differ from those expressed or implied in the forward-looking statements. For a more detailed discussion of risk factors, please refer to the Company's reports filed with the SEC, and in particular, the report on Form 10-K for the year ended December 31, 2004. Each forward-looking statement speaks only as of the date of this release, and the Company undertakes no obligation to publicly update or revise any forward-looking statement.

PARKER DRILLING COMPANY AND SUBSIDIARIES
Consolidated Condensed Statements of Operations
(Unaudited)

<TABLE>
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	Three Months Ended March 31,	
	2005	2004
	(Dollars in Thousands)	
<S>	<C>	<C>
DRILLING AND RENTAL REVENUES		
U.S. Drilling	\$ 27,117	\$ 19,759
International Drilling	72,172	56,037
Rental Tools	20,954	15,103
	120,243	90,899
TOTAL DRILLING AND RENTAL REVENUES		
DRILLING AND RENTAL OPERATING EXPENSES		
U.S. Drilling	14,388	12,691
International Drilling	55,803	39,891
Rental Tools	8,185	6,613
Depreciation and Amortization	16,876	16,249
	95,252	75,444
TOTAL DRILLING AND RENTAL OPERATING EXPENSES		
DRILLING AND RENTAL OPERATING INCOME	24,991	15,455
General and Administrative Expense	(6,976)	(6,042)
Gain on Disposition of Assets, Net	552	723
	18,567	10,136
TOTAL OPERATING INCOME		
OTHER INCOME AND (EXPENSE)		
Interest Expense	(11,056)	(13,407)
Change in Fair Value of Derivative Position	1,607	--
Loss on Extinguishment of Debt	(1,429)	(316)
Other Income (Expense) - Net	1,001	42
	(9,877)	(13,681)
TOTAL OTHER INCOME AND (EXPENSE)		
INCOME (LOSS) BEFORE INCOME TAXES	8,690	(3,545)
Income Tax Expense	4,852	4,049
	3,838	(7,594)
INCOME (LOSS) FROM CONTINUING OPERATIONS		
Discontinued Operations, Net of Taxes	91	2,730
	\$ 3,929	\$ (4,864)
NET INCOME (LOSS)		
EARNINGS (LOSS) PER SHARE - BASIC		
Income (Loss) From Continuing Operations	\$ 0.04	\$ (0.08)
Discontinued Operations, Net of Taxes	\$ 0.00	\$ 0.03

Net Income (Loss)	\$	0.04	\$	(0.05)
EARNINGS (LOSS) PER SHARE - DILUTED				
Income (Loss) From Continuing Operations	\$	0.04	\$	(0.08)
Discontinued Operations, Net of Taxes	\$	0.00	\$	0.03
Net Income (Loss)	\$	0.04	\$	(0.05)
AVERAGE COMMON SHARES OUTSTANDING				
Basic		94,948,637		93,594,900
Diluted		96,145,661		93,594,900

</Table>

PARKER DRILLING COMPANY AND SUBSIDIARIES
Consolidated Condensed Balance Sheets
(Unaudited)

	March 31, 2005	December 31, 2004
	-----	-----
	(Dollars in Thousands)	
	<C>	<C>
ASSETS		
CURRENT ASSETS		
Cash and Cash Equivalents	\$ 66,265	\$ 44,267
Accounts and Notes Receivable, Net	104,545	99,315
Rig Materials and Supplies	20,210	19,206
Deferred Costs	11,297	13,546
Other Current Assets	12,572	9,818
	-----	-----
TOTAL CURRENT ASSETS	214,889	186,152
	-----	-----
PROPERTY, PLANT AND EQUIPMENT, NET	377,457	382,824
ASSETS HELD FOR SALE	2,322	23,665
OTHER ASSETS		
Goodwill	107,606	107,606
Other Assets	24,207	26,343
	-----	-----
TOTAL OTHER ASSETS	131,813	133,949
	-----	-----
TOTAL ASSETS	\$726,481	\$726,590
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Current Portion of Long-Term Debt	\$ --	\$ 24
Accounts Payable and Accrued Liabilities	109,046	87,329
	-----	-----
TOTAL CURRENT LIABILITIES	109,046	87,353
	-----	-----
LONG-TERM DEBT	455,951	481,039
OTHER LIABILITIES	6,013	9,281
STOCKHOLDERS' EQUITY	155,471	148,917
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$726,481	\$726,590
	=====	=====
Current Ratio	1.97	2.13

Total Long Term Debt as a Percent of Capitalization	75%	76%
Book Value Per Common Share	\$ 1.63	\$ 1.57

PARKER DRILLING COMPANY AND SUBSIDIARIES
Selected Financial Data
(Unaudited)

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	THREE MONTHS ENDED		
	MARCH 31,		DECEMBER 31,
	2005	2004	2004
	(Dollars in Thousands)		
<S>	<C>	<C>	<C>
DRILLING AND RENTAL REVENUES			
U.S. Drilling	\$ 27,117	\$ 19,759	\$ 25,303
International Land Drilling	56,552	44,486	56,502
International Offshore Drilling	15,620	11,551	8,106
Rental Tools	20,954	15,103	19,889
	-----	-----	-----
Total Drilling and Rental Revenues	120,243	90,899	109,800
	-----	-----	-----
DRILLING AND RENTAL OPERATING EXPENSES			
U.S. Drilling	14,388	12,691	15,530
International Land Drilling	42,322	29,748	40,727
International Offshore Drilling	13,481	10,143	5,506
Rental Tools	8,185	6,613	8,154
	-----	-----	-----
Drilling and Rental Operating Expenses	78,376	59,195	69,917
	-----	-----	-----
DRILLING AND RENTAL OPERATING INCOME			
U.S. Drilling	12,729	7,068	9,773
International Land Drilling	14,230	14,738	15,775
International Offshore Drilling	2,139	1,408	2,600
Rental Tools	12,769	8,490	11,735
Depreciation and Amortization	(16,876)	(16,249)	(18,642)
	-----	-----	-----
Total Drilling and Rental Operating Income	24,991	15,455	21,241
	-----	-----	-----
General and Administrative Expense	(6,976)	(6,042)	(5,455)
Provision for Reduction in Carrying Value of Certain Assets	--	--	(6,562)
Gain on Disposition of Assets, Net	552	723	2,328
	-----	-----	-----
TOTAL OPERATING INCOME	\$ 18,567	\$ 10,136	\$ 11,552
	=====	=====	=====

</TABLE>

Marketable Rig Count Summary
As of March 31, 2005

<TABLE>
<CAPTION>

Total

<S>	<C>
U.S. Gulf of Mexico Barge Rigs	
Workover	6
Intermediate	4
Deep	9

Total U.S. Gulf of Mexico Barge Rigs	19

International Land Rigs	
Asia Pacific	10
Africa/Middle East	1
Latin America	14
CIS	8

Total International Land Rigs	33
INTERNATIONAL BARGE RIGS	
Mexico	1
Nigeria	2
Caspian Sea	1

Total International Barge Rigs	4
Total International Rigs	37

Total Marketable Rigs	56
	=====
</TABLE>	