

CORE LABORATORIES N V  
Form 10-Q  
April 25, 2014

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q  
(Mark One)

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

For the quarterly period ended March 31, 2014

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: 001-14273

CORE LABORATORIES N.V.  
(Exact name of registrant as specified in its charter)

The Netherlands  
(State or other jurisdiction of  
incorporation or organization)

Strawinskylaan 913  
Tower A, Level 9  
1077 XX Amsterdam

The Netherlands  
(Address of principal executive offices)

Not Applicable  
(I.R.S. Employer Identification No.)

Not Applicable  
(Zip Code)

(31-20) 420-3191  
(Registrant's telephone number, including area code)

None  
(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, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller

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reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company   
(Do not check if a 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

The number of common shares of the registrant, par value EUR 0.02 per share, outstanding at April 24, 2014 was 44,875,534.

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CORE LABORATORIES N.V.  
FORM 10-Q FOR THE QUARTER ENDED MARCH 31, 2014

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## PART I - FINANCIAL INFORMATION

## Item 1. Financial Statements

## CORE LABORATORIES N.V.

## CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	March 31, 2014 (Unaudited)	December 31, 2013
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$23,253	\$25,088
Accounts receivable, net of allowance for doubtful accounts of \$2,685 and \$2,872 at 2014 and 2013, respectively	209,234	201,322
Inventories	50,906	46,821
Prepaid expenses	15,016	13,128
Income tax receivable	8,948	5,294
Other current assets	11,151	12,215
<b>TOTAL CURRENT ASSETS</b>	<b>318,508</b>	<b>303,868</b>
<b>PROPERTY, PLANT AND EQUIPMENT, net</b>	<b>141,758</b>	<b>138,824</b>
<b>INTANGIBLES, net</b>	<b>11,994</b>	<b>10,949</b>
<b>GOODWILL</b>	<b>163,337</b>	<b>163,337</b>
<b>DEFERRED TAX ASSETS, net</b>	<b>3,602</b>	<b>4,452</b>
<b>OTHER ASSETS</b>	<b>41,164</b>	<b>39,580</b>
<b>TOTAL ASSETS</b>	<b>\$680,363</b>	<b>\$661,010</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$53,715	\$50,821
Accrued payroll and related costs	27,084	38,969
Taxes other than payroll and income	8,406	6,979
Unearned revenue	17,481	10,887
Income tax payable	30,024	14,462
Other accrued expenses	11,751	13,657
<b>TOTAL CURRENT LIABILITIES</b>	<b>148,461</b>	<b>135,775</b>
<b>LONG-TERM DEBT AND CAPITAL LEASE OBLIGATIONS</b>	<b>279,000</b>	<b>267,002</b>
<b>DEFERRED COMPENSATION</b>	<b>39,576</b>	<b>38,014</b>
<b>DEFERRED TAX LIABILITIES, net</b>	<b>4,701</b>	<b>8,870</b>
<b>OTHER LONG-TERM LIABILITIES</b>	<b>41,691</b>	<b>41,960</b>
<b>COMMITMENTS AND CONTINGENCIES (Note 6)</b>		
<b>EQUITY:</b>		
Preference shares, EUR 0.02 par value; 6,000,000 shares authorized, none issued or outstanding	—	—
Common shares, EUR 0.02 par value; 200,000,000 shares authorized, 46,750,002 issued and 44,872,263 outstanding at 2014 and 46,750,002 issued and 45,101,389 outstanding at 2013	1,203	1,203
Additional paid-in capital	2,957	—
Retained earnings	454,503	415,930
Accumulated other comprehensive income (loss)	(8,540)	(8,626)
Treasury shares (at cost), 1,877,739 at 2014 and 1,648,613 at 2013	(289,344)	(245,184)
Total Core Laboratories N.V. shareholders' equity	160,779	163,323
Non-controlling interests	6,155	6,066

TOTAL EQUITY	166,934	169,389
TOTAL LIABILITIES AND EQUITY	\$680,363	\$661,010

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

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CORE LABORATORIES N.V.  
CONSOLIDATED STATEMENTS OF OPERATIONS  
(In thousands, except per share data)

	Three Months Ended March 31,	
	2014	2013
	(Unaudited)	
REVENUE:		
Services	\$188,735	\$182,481
Product sales	74,168	78,446
Total revenue	262,903	260,927
OPERATING EXPENSES:		
Cost of services, exclusive of depreciation expense shown below	110,571	110,153
Cost of product sales, exclusive of depreciation expense shown below	51,098	53,492
General and administrative expenses, exclusive of depreciation expense shown below	10,519	12,809
Depreciation	6,342	5,723
Amortization	291	302
Other (income) expense, net	1,255	(589)
OPERATING INCOME	82,827	79,037
Interest expense	2,363	2,269
Income before income tax expense	80,464	76,768
Income tax expense	19,311	