

OCEANEERING INTERNATIONAL INC

Form 8-K

June 30, 2015

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 Report (Date of earliest event reported): June 30, 2015

OCEANEERING INTERNATIONAL, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction  
of incorporation)

1-10945

(Commission  
File Number)

95-2628227

(IRS Employer  
Identification No.)

11911 FM 529

Houston, TX

(Address of principal executive offices)

77041

(Zip Code)

Registrant's telephone number, including area code: (713) 329-4500

N/A

(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:

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))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 7.01 Regulation FD Disclosure.

On July 1, 2015, Marvin J. Migura, our Executive Vice President, will meet with investors in Houston, TX at an event sponsored by Deutsche Bank. Interested parties may view the handout for the meeting by using the Investor Relations link at Oceaneering's website, [www.oceaneering.com](http://www.oceaneering.com), beginning on June 30, 2015 at approximately 4:00 p.m. Central Daylight Saving Time.

The handout includes a reconciliation of the non-GAAP term EBITDA used therein.

The information furnished pursuant to this Item 7.01 shall not be deemed to be "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and will not be incorporated by reference into any registration statement filed under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

Please note that certain information contained in the handouts and presentation are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995 and are subject to the "Safe Harbor" provisions of those statutes. Forward-looking statements are generally accompanied by words such as "estimate," "project," "predict," "believe," "expect," "anticipate," "plan," "guidance," "forecast," "budget," "goal" or other words that convey the uncertainty of future events or outcomes. Among other items, the forward-looking statements in the handouts for the presentation and accompanying prepared statements include statements regarding:

- Our estimates of our relative business exposures to each of the phases of the offshore life cycle;
- Our projection that all of our oilfield business segments will have lower operating income in 2015 than in 2014;
- Our expectations that our 2015 earnings per share will be in the range of \$2.80 to \$3.20, including the impact of: our acquisition of C & C Technologies, Inc. ("C&C"); our right-sizing and cost cutting initiatives we have underway; and our intent to take further measures if demand falls short of our expected levels;
- Our belief that the precipitous declines in demand and pricing taking place within the oilfield markets we serve are unrivaled in recent history;
- Our expectation that our earnings for the last three quarters of 2015 will largely be determined by vessel-based inspection, maintenance and repair, or IMR, work and floating rig use;
- Our belief that the majority of IMR activity is performed on a "call out" or "spot market" basis, and it impacts the results of our ROV, Subsea Products, particularly tooling, and Subsea Projects segments;
- Our belief that IMR jobs normally have low visibility, but in 2015, when most of our customers are curtailing operating expense spending, the risks associated with this work materializing are higher than normal;
- Our belief that our results will continue to be dependent on floating rig use, and our anticipation of follow on work for about half our approximately 7,000 uncontracted ROV days on 50 rigs with contracts expiring in 2015;

• Our expectation that our liquidity and projected cash flow in 2015 will provide us with ample resources to continue investing in our future and continue returning capital to our shareholders;

• Our anticipated 2015 EBITDA of at least \$680 million in 2015;

• Our intent to be fairly conservative with our leverage ratio;

• Our expectation to reduce our 2015 organic Capex to between \$200 million and \$250 million, largely on lower ROV spending;

• Our belief that we are financially positioned to make additional acquisition investments;

• Our intent to continue to pursue acquisitions that augment our service and product offerings, or add technologies;

• Our intent to allocate capital, in order of priority, as follows:

- organic capital expenditures;
- acquisitions;
- cash dividends, which for 2015 at \$0.27 per quarter equates to approximately \$108 million based on around 100.0 million shares outstanding; and
- share repurchases;

• Our intent to continue our practice of announcing share repurchases after they occur on a quarterly basis;

• Our belief that an increase in deepwater activity is inevitable;

• Our belief that, as a leading indicator of future field development activity, subsea tree installations outside of Brazil matter most to Oceaneering;

• Our belief that a rise in tree installations and a growing level of subsea completions in service will act as catalysts for future growth of our Subsea Products and Subsea Projects operations and profits;

• Our expectation that our 2015 EPS will be lower than our 2014 EPS;

• Our belief that we are well positioned to make the most of this challenging time ;

• Our belief that our commanding competitive position, technology leadership, and strong balance sheet and cash flow enable us to continue investing in the company's future as opportunities arise and continue returning capital to our shareholders and our intent to do so;

• Our expectation that deepwater will continue to play a critical role in global oil supply growth despite its large capital commitments, technological challenges, and current commodity price environment; and

• Our anticipation that demand for our deepwater services and products will rebound and rise over time, and that our long-term business prospects remain promising.

These forward-looking statements are based on our current information and expectations that involve a number of risks, uncertainties, and assumptions. Among the factors that could cause the actual results to differ materially from those indicated in the forward-looking statements are:

- worldwide demand for oil and gas;
- general economic and business conditions and industry trends;
- delays in deliveries of deepwater drilling rigs;
- delays in deepwater development activities;
- the ability of the Organization of Petroleum Exporting Countries, or OPEC, to set and maintain production levels;
- the level of production by non-OPEC countries;
- the ability of oil and gas companies to generate funds for capital expenditures;
- domestic and foreign tax policy;

laws and governmental regulations that restrict exploration and development of oil and gas in various offshore jurisdictions;  
technological changes;  
the political environment of oil-producing regions;  
the price and availability of alternative fuels; and  
overall economic conditions.

Should one or more of these risks or uncertainties materialize, or should the assumptions underlying the forward-looking statements prove incorrect, actual outcomes could vary materially from those indicated. For additional information regarding these and other factors that could cause our actual results to differ materially from those expressed in our forward-looking statements, see our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the year ended December 31, 2014 and our subsequent Quarterly Reports on Form 10-Q.

Except as required by applicable law, we do not undertake any obligation to update or revise any of our forward-looking statements, whether as a result of new information, future events or otherwise.

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.

OCEANEERING INTERNATIONAL, INC.

Date: June 30, 2015

By:

/S/ ROBERT P. MINGOIA  
Robert P. Mingoia  
Vice President and Treasurer