

GLOBAL INDUSTRIES LTD
Form 8-K
February 11, 2004

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): February 10, 2004

GLOBAL INDUSTRIES, LTD.

(Exact name of registrant as specified in its charter)

Louisiana	2-56600	72-1212563
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification No.)
8000 Global Drive		70665
P.O. Box 442, Sulphur, LA		70664-0442
(Address of principal executive offices)		(Zip code)

Registrant's telephone number, including area code: **(337) 583-5000**

Item 12. RESULTS OF OPERATIONS AND FINANCIAL CONDITION

On February 10, 2004, Global Industries, Ltd. issued a press release announcing the fourth quarter and year ended earnings release and conference call, a copy of which is attached as Exhibit 99.1 and incorporated herein by reference.

Item 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) FINANCIAL STATEMENTS OF BUSINESS ACQUIRED.

Not applicable.

(b) PRO FORMA FINANCIAL INFORMATION.

Not applicable.

(c) EXHIBITS.

99.1-Press Release dated February 10, 2004.

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.

GLOBAL INDUSTRIES, LTD.

By: /s/ TIMOTHY W. MICIOTTO

Timothy W. Miciotto

Senior Vice President/ Chief Financial Officer

Dated: February 10, 2004

EXHIBIT INDEX

EXHIBIT

<u>NUMBER</u>	<u>EXHIBIT DESCRIPTION</u>
99.1	Press Release dated February 10, 2004

EXHIBIT 99.1

[GLOBAL INDUSTRIES, LTD. LOGO]

FOR IMMEDIATE RELEASE

PRESS RELEASE CONTACT: WILLIAM J. DORE', JR.

Carlyss, Louisiana

, (February 10, 2004) **Global Industries, Ltd.** (NASDAQ: **GLBL**) reported a net loss of \$55.4 million, or \$0.55 per share for the quarter ended December 31, 2003, compared to a net loss of \$39.8 million, or \$0.40 per share for the

same period last year. The net loss for the year ended December 31, 2003 was \$68.3 million, or \$0.68 per share, compared to a net loss of \$29.4 million, or \$0.30 per share for the year ended December 31, 2002. Earnings for the fourth quarter were negatively impacted by a \$33.5 million provision (pre-tax) related to an adverse ruling in the long-standing litigation between Global and Groupe GTM (now Vinci). This litigation related to the termination of the 1999 Share Purchase Agreement pursuant to which Global was to have acquired ETPM, S.A., a subsidiary of Groupe GTM.

Revenues for the quarter ended December 31, 2003 decreased \$39.6 million, or 38%, to \$63.5 million from \$103.1 million for the quarter ended December 31, 2002. Revenues for the year ended December 31, 2003 decreased \$5.3 million, or 1%, to \$488.7 million from \$494.0 million for the year ended December 31, 2002.

William J. Doré, Global's Chairman and Chief Executive Officer, stated, "Our results for the quarter were marred by the adverse judgment in the Global/GTM litigation. We are currently appealing this verdict in the Cour d'appel de Paris (Paris Court of Appeals). Also, earnings were negatively impacted by inclement weather conditions affecting our Gulf of Mexico operations and productivity losses on one of our West Africa Division projects. During the fourth quarter we booked \$87.8 million in new work resulting in a backlog of \$96.2 million at quarter-end compared to a backlog of \$275.7 million at the end of the same period last year. Although backlog is lower than the same period last year, we have been experiencing a marked increase in bidding activity for near-term and long-term projects and we are expecting a much improved 2004. "

The Company has conformed its segment reporting to changes in its operating management structure and existing business lines that became effective January 1, 2003. The Company's new reportable segments include two divisions, Offshore Construction Division and Global Divers & Marine Contractors, each with five reportable segments. The Global Divers & Marine Contractors Division includes all diving and marine support services worldwide and Gulf of Mexico shallow water pipelay.

A conference call will be held at 9:00 a.m. Central Standard Time on Wednesday, February 11, 2004. Anyone wishing to listen to the conference call may dial (877) 777-1967 or (651) 224-7558 and ask for the Global Industries Fourth Quarter Earnings call. Phone lines will open fifteen minutes prior to the start of the call. The call will also be webcast in real-time on the Company's website at www.globalind.com

, under "Investor Relations," where it will also be archived for anytime reference until February 26, 2004.

All individuals listening to the conference call or the replay are reminded that all conference call material is copyrighted by Global and cannot be recorded or rebroadcast without Global's express written consent.

Global Industries provides pipeline construction, platform installation and removal, diving services, and other marine support to the oil and gas industry in the Gulf of Mexico, West Africa, Asia Pacific, Middle East/India, South America, and Mexico's Bay of Campeche. The Company's shares are traded on the NASDAQ National Market System under the symbol "GLBL."

This press release may contain forward-looking information based on current information and expectations of the Company that involve a number of risks, uncertainties, and assumptions. Among the factors that could cause the actual results to differ materially are: industry conditions, prices of crude oil and natural gas, the Company's ability to obtain and the timing of new projects, changes in competitive factors and the Company's ability to complete projects within its estimates. Additional factors are described in the Company's Annual Report on Form 10-K for the year ended December 31, 2002. Should one or more of these risks or uncertainties materialize, or should the underlying assumptions prove incorrect, actual outcomes could vary materially from those indicated.

Edgar Filing: GLOBAL INDUSTRIES LTD - Form 8-K

Set forth below are the Company's results of operations and selected balance sheet amounts for the periods indicated

(In thousands, except shares and per share amounts)

Results of Operations	<u>Three Months Ended December 31, 2003</u>	<u>Three Months Ended December 31, 2002</u>
Revenues	\$ 63,467	\$ 103,104
Gross (loss) profit	(14,084)	6,369
Losses on asset disposal and impairment	--	45,817
Provision for GTM Litigation	33,500	--
Net (gains) losses on asset disposal	1,155	(3,208)
Selling, general, and administrative expenses	9,943	11,012
Operating loss	\$ (58,682)	\$ (47,252)
Interest expense	2,535	3,269
Other expense (income)	(415)	(250)
Loss before income taxes	(60,802)	(50,271)
Income taxes (benefit)	(5,431)	(10,458)
Net loss	\$ (55,371)	\$ (39,813)
Average shares		
Basic	100,884,000	100,254,000
Diluted	100,884,000	100,254,000
Net loss per share		
Basic	\$ (0.55)	\$ (0.40)
Diluted	(0.55)	(0.40)
Other data		
Depreciation and amortization	\$ 11,282	\$ 13,216
Deferred income taxes (benefit)	(6,516)	(11,605)
Backlog at December 31, 2003 and 2002	96,177	275,713

Set forth below are the Company's results of operations for the periods indicated

(In thousands)

Reportable Segments	Three Months Ended December 31, 2003	Three Months Ended December 31, 2002
Total Segment Revenues		
Offshore Construction Division		
	\$ 18,839	\$ 16,853
Gulf of Mexico		

Edgar Filing: GLOBAL INDUSTRIES LTD - Form 8-K

West Africa	10,169	26,297
	6,836	13,108
Latin America	7,142	16,123
Asia Pacific	(1,295)	648
Middle East	41,691	73,029
Subtotal		
Global Divers and Marine Contractors		
	17,199	25,287
Gulf of Mexico	1,630	1,493
West Africa	1,093	1,857
Latin America	4,556	8,936
Asia Pacific	4,170	4,454
Middle East	28,648	42,027
Subtotal	70,339	115,056
Total		
Intersegment elimination	(6,872)	(11,952)
Total segment revenues from external customers	\$ 63,467	\$ 103,104
Income (loss) before income taxes		
Offshore Construction Division		
	\$ (5,739)	\$ (15,351)
Gulf of Mexico	(6,031)	(277)
West Africa	(2,774)	(6,135)
Latin America	(4,178)	(3,086)
Asia Pacific	(3,522)	(300)
Middle East	(22,244)	(25,149)
Subtotal		

Global Divers and Marine Contractors

	(1,745)	686
Gulf of Mexico		
	337	576
West Africa		
	174	573
Latin America		
	(2,626)	(20,064)
Asia Pacific		
	129	(6,982)
Middle East		
	(3,731)	(25,211)
Subtotal		
Other	(34,827)*	89
	\$ (60,802)	\$ (50,271)
Total		

* includes a \$33.5 million provision (pre-tax) related to the adverse ruling in the Global and Groupe GTM litigation.

Set forth below are the Company's results of operations and selected balance sheet amounts for the periods indicated

(In thousands, except shares and per share amounts)

	Twelve Months Ended December 31, 2003	Twelve Months Ended December 31, 2002
Results of Operations		
Revenues	\$ 488,719	\$ 494,010
Gross profit	9,751	63,478
Losses on asset disposal and impairment	--	45,817
Provision for GTM Litigation	33,500	--
Net (gains) losses on asset disposal	(5,674)	(4,041)
Selling, general, and administrative expenses	39,487	39,452
Operating loss	\$ (57,562)	\$ (17,750)
Interest expense	10,775	14,673
Other expense (income)	(354)	1,764
Loss before income taxes	(67,983)	(34,187)
Income taxes (benefit)	346	(4,824)
Net loss	\$ (68,329)	\$ (29,363)
Average shares		
Basic	100,743,000	99,511,000
Diluted	100,743,000	99,511,000
Net loss per share		
Basic	\$ (0.68)	\$ (0.30)

Edgar Filing: GLOBAL INDUSTRIES LTD - Form 8-K

Diluted	(0.68)	(0.30)
Other data		
Depreciation and amortization	\$ 54,361	\$ 58,340
Deferred income taxes (benefit)	(7,194)	(9,525)

Selected Balance Sheet Amounts	December 31, 2003	December 31, 2002
Cash	\$ 15,628	\$ 28,204
Working capital	37,321	75,060
Total assets	620,831	701,644
Debt	123,728	126,657
Shareholders' equity	377,071	441,188

Set forth below are the Company's results of operations
for the periods indicated

(In thousands)

Reportable Segments	Twelve Months Ended December 31, 2003	Twelve Months Ended December 31, 2002
Total Segment Revenues		
Offshore Construction Division		
	\$ 112,253	\$ 59,613
Gulf of Mexico		
	100,039	83,395
West Africa		
	19,046	169,060
Latin America		
	80,010	67,273
Asia Pacific		
	72,842	1,667
Middle East		
	384,190	381,008
Subtotal		
Global Divers and Marine Contractors		
	80,375	88,624
Gulf of Mexico		
	8,602	4,019
West Africa		
	1,303	15,019
Latin America		
	26,534	44,838
Asia Pacific		

Edgar Filing: GLOBAL INDUSTRIES LTD - Form 8-K

Middle East	14,732	9,617
	131,546	162,117
Subtotal		
	515,736	543,125
Total		
Intersegment elimination	(27,017)	(49,115)
Total segment revenues from external customers	\$ 488,719	\$ 494,010
Income (loss) before income taxes		
Offshore Construction Division		
	\$ (1,525)	\$ (22,933)
Gulf of Mexico		
	(26,405)	(5,102)
West Africa		
	(16,720)	9,772
Latin America		
	1,129	(1,270)
Asia Pacific		
	2,645	(1,482)
Middle East		
	(40,876)	(21,015)
Subtotal		
Global Divers and Marine Contractors		
	4,697	3,968
Gulf of Mexico		
	1,906	1,758
West Africa		
	(337)	6,925
Latin America		
	(1,957)	(17,453)
Asia Pacific		
	2,815	(8,741)
Middle East		
	7,124	(13,543)
Subtotal		
Other	(34,231)*	371
	\$ (67,983)	\$ (34,187)
Total		

* includes a \$33.5 million provision (pre-tax) related to the adverse ruling in the Global and Groupe GTM litigation.

Fiscal Year 2002 Losses on Asset Disposal and Impairment by Segment:
Offshore Construction Division

	\$ 10,246
Gulf of Mexico	
	--
West Africa	
	1,377
Latin America	
	2,068
Asia Pacific	
	--
Middle East	
	13,691
Subtotal	
Global Divers and Marine Contractors	
	6,246
Gulf of Mexico	
	--
West Africa	
	--
Latin America	
	19,063
Asia Pacific	
	6,817
Middle East	
	32,126
Subtotal	
Other	
	--
	\$ 45,817
Total	