

Noble Corp plc  
Form 10-Q  
November 07, 2016

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: September 30, 2016

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: 001-36211

---

Noble Corporation plc  
(Exact name of registrant as specified in its charter)

---

England and Wales (Registered Number 08354954) 98-0619597  
(State or other jurisdiction of (I.R.S. employer  
incorporation or organization) identification number)  
Devonshire House, 1 Mayfair Place, London, England, W1J8AJ  
(Address of principal executive offices) (Zip Code)  
Registrant's Telephone Number, Including Area Code: +44 20 3300 2300  
Commission file number: 001-31306

---

Noble Corporation  
(Exact name of registrant as specified in its charter)

---

Cayman Islands 98-0366361  
(State or other jurisdiction of (I.R.S. employer  
incorporation or organization) identification number)  
Suite 3D Landmark Square, 64 Earth Close, P.O. Box 31327 George Town, Grand Cayman, Cayman Islands,  
KY1-1206  
(Address of principal executive offices) (Zip Code)  
Registrant's Telephone Number, Including Area Code: (345) 938-0293

---

Indicate by check mark whether each 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 each registrant has submitted electronically and posted on its corporate website, 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 each 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 reporting

Edgar Filing: Noble Corp plc - Form 10-Q

company” in Rule 12b-2 of the Exchange Act. (Check one):

Noble Corporation plc:  Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Noble Corporation:  Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

Indicate by check mark whether each registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes  No

Number of shares outstanding and trading at October 21, 2016: Noble Corporation plc — 243,233,371

Number of shares outstanding: Noble Corporation — 261,245,693

Noble Corporation, a Cayman Islands company and a wholly owned subsidiary of Noble Corporation plc, a public limited company incorporated under the laws of England and Wales, meets the conditions set forth in General Instructions H(1) (a) and (b) to Form 10-Q and is therefore filing this Quarterly Report on Form 10-Q with the reduced disclosure format contemplated by paragraphs (b) and (c) of General Instruction H(2) of Form 10-Q.

---

## TABLE OF CONTENTS

	Page
<b>PART I <u>FINANCIAL INFORMATION</u></b>	
Item 1 <u>Financial Statements</u>	
Noble Corporation plc (Noble-UK) Financial Statements:	
<u>Consolidated Balance Sheets as of September 30, 2016 and December 31, 2015</u>	3
<u>Consolidated Statements of Operations for the three and nine months ended September 30, 2016 and 2015</u>	4
<u>Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2016 and 2015</u>	5
<u>Consolidated Statements of Cash Flows for the nine months ended September 30, 2016 and 2015</u>	6
<u>Consolidated Statements of Equity for the nine months ended September 30, 2016 and 2015</u>	7
Noble Corporation (Noble-Cayman) Financial Statements:	
<u>Consolidated Balance Sheets as of September 30, 2016 and December 31, 2015</u>	8
<u>Consolidated Statements of Operations for the three and nine months ended September 30, 2016 and 2015</u>	9
<u>Consolidated Statements of Comprehensive Income (Loss) for the three and nine months ended September 30, 2016 and 2015</u>	10
<u>Consolidated Statements of Cash Flows for the nine months ended September 30, 2016 and 2015</u>	11
<u>Consolidated Statements of Equity for the nine months ended September 30, 2016 and 2015</u>	12
<u>Notes to Combined Consolidated Financial Statements</u>	13
Item 2 <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	39
Item 3 <u>Quantitative and Qualitative Disclosures About Market Risk</u>	52
Item 4 <u>Controls and Procedures</u>	53
<b>PART II <u>OTHER INFORMATION</u></b>	
Item 1 <u>Legal Proceedings</u>	55
Item 2 <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	55
Item 6 <u>Exhibits</u>	55
<u>SIGNATURES</u>	56
<u>Index to Exhibits</u>	57

This combined Quarterly Report on Form 10-Q is separately filed by Noble Corporation plc, a public limited company incorporated under the laws of England and Wales (“Noble-UK”), and Noble Corporation, a Cayman Islands company (“Noble-Cayman”). Information in this filing relating to Noble-Cayman is filed by Noble-UK and separately by Noble-Cayman on its own behalf. Noble-Cayman makes no representation as to information relating to Noble-UK (except as it may relate to Noble-Cayman) or any other affiliate or subsidiary of Noble-UK. Since Noble-Cayman meets the conditions specified in General Instructions H(1)(a) and (b) to Form 10-Q, it is permitted to use the reduced disclosure format for wholly-owned subsidiaries of reporting companies as stated in General Instructions H(2). Accordingly, Noble-Cayman has omitted from this report the information called for by Item 3 (Quantitative and Qualitative Disclosures about Market Risk) of Part I of Form 10-Q and the following items of Part II of Form 10-Q: Item 2 (Unregistered Sales of Equity Securities and Use of Proceeds) and Item 3 (Defaults upon Senior Securities). This report should be read in its entirety as it pertains to each Registrant. Except where indicated, the Consolidated Financial Statements and related Notes are combined. References in this Quarterly Report on Form 10-Q to “Noble,” the “Company,” “we,” “us,” “our” and words of similar meaning refer collectively to Noble-UK and its consolidated subsidiaries, including Noble-Cayman.



## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

## NOBLE CORPORATION PLC AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEETS

(In thousands)

(Unaudited)

	September 30, 2016	December 31, 2015
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$426,052	\$512,245
Accounts receivable	319,567	498,931
Taxes receivable	35,387	55,525
Prepaid expenses and other current assets	102,778	173,917
Total current assets	883,784	1,240,618
Property and equipment, at cost	14,604,796	14,056,323
Accumulated depreciation	(3,013,008 )	(2,572,700 )
Property and equipment, net	11,591,788	11,483,623
Other assets	108,566	141,404
Total assets	\$12,584,138	\$12,865,645
<b>LIABILITIES AND EQUITY</b>		
Current liabilities		
Current maturities of long-term debt	\$299,762	\$299,924
Accounts payable	114,392	223,221
Accrued payroll and related costs	53,377	81,464
Taxes payable	98,019	87,940
Interest payable	46,040	72,961
Other current liabilities	72,528	98,074
Total current liabilities	684,118	863,584
Long-term debt	3,830,224	4,162,638
Deferred income taxes	11,487	92,797
Other liabilities	300,326	324,396
Total liabilities	4,826,155	5,443,415
Commitments and contingencies		
Shareholders' equity		
Shares; 243,233 and 241,977 shares outstanding	2,432	2,420
Additional paid-in capital	646,601	628,483
Retained earnings	6,457,071	6,131,501
Accumulated other comprehensive loss	(61,169 )	(63,175 )
Total shareholders' equity	7,044,935	6,699,229
Noncontrolling interests	713,048	723,001
Total equity	7,757,983	7,422,230
Total liabilities and equity	\$12,584,138	\$12,865,645

See accompanying notes to the unaudited consolidated financial statements.



NOBLE CORPORATION PLC AND SUBSIDIARIES  
CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share amounts)

(Unaudited)

	Three Months	Nine Months		
	Ended	Ended		
	September 30,	September 30,		
	2016	2015	2016	2015
Operating revenues				