

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 25, 2004

NEWPARK RESOURCES, INC.  
(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation)	1-2960 (Commission File Number)	72-1123385 (IRS Employer Identification No.)
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3850 North Causeway, Suite 1770 Metairie, Louisiana (Address of principal executive offices)	70002 (Zip Code)
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Registrant's telephone number, including area code: (504) 838-8222

Item 7. Financial Statements and Exhibits.

(c) Exhibits.

99.1 Press release issued by Newpark Resources, Inc. on February 25, 2004.

Item 12. Results of Operations and Financial Condition.

On February 25, 2004, Newpark Resources, Inc. issued a press release announcing results for the three months and year ended December 31, 2003. The press release is attached to this Form 8-K as Exhibit 99.1.

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.

NEWPARK RESOURCES, INC.

Dated: February 25, 2004

By: /s/ Matthew W. Hardey

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Matthew W. Hardey,  
Vice President and  
Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Press Release, dated as of February 25, 2004

## Newpark Resources Reports Fiscal 2003 and Fourth Quarter Results

METAIRIE, La., Feb. 25 /PRNewswire-FirstCall/ -- Newpark Resources, Inc. (NYSE: NR) today announced that it earned net income of \$493,000, or \$0.01 per diluted share on revenue of \$373.1 million for the fiscal year ended December 31, 2003. This compares to net income of \$513,000, or \$0.01 per diluted share, on revenue of \$321.2 million for the fiscal year ended December 31, 2002.

For the fourth quarter ended December 31, 2003, Newpark reported a net loss of \$3.0 million, equal to \$0.04 per share, on revenue of \$94.6 million. This compares to net income of \$747,000, or \$0.01 per diluted share, on revenues of \$89.1 million for the year-ago quarter.

James D. Cole, Newpark's chairman and CEO said: "In 1997 we began a strategy to broaden Newpark's revenue base beyond the Gulf Coast base and offer some products to customers other than our traditional oilfield customers. During 2003, those new markets provided 45% of the revenue and accounted for 75% of Newpark's segment operating income. While the US rig count rose by 30% during the year, the Gulf Coast market did not participate in that recovery, ending the year down slightly from 2002 levels. Newpark would benefit significantly in 2004 from any rebound in activity in the Gulf Coast market."

## Drilling Fluids Segment

Revenue from the drilling fluids business totaled \$230.9 million for the year, up 19% from 2002. Revenue outside the Gulf Coast market rose 46% while Gulf Coast revenue declined 11% reflecting the weak conditions in that market. Profitability in non-Gulf Coast markets more than doubled year-over-year led by strong results in the Mid-continent and Canadian markets.

For the fourth quarter, drilling fluids revenue was \$61.6 million, increasing \$8.9 million or 17% from the year-ago quarter, principally on improved results in the Mid-continent and Canada.

"During 2003, we continued to broaden our customer base, building upon the technology of our DeepDrill(TM) and FlexDrill(TM) fluid systems. After a slow 2003 in the Gulf Coast, we believe that our customer base in that market is showing signs of increased activity. As of January 1, 2004, we have over 22 customers for whom we are preferred providers or have annual contracts in place. We believe their choice of Newpark is driven in large part by acceptance of our proprietary high-performance water-based fluid technology. During 2003, we successfully provided these fluids to over 70 customers and 250 wells," Cole stated. "An early indicator of that progress was reflected in record December revenue levels that have been sustained thus far in 2004, although we suspect that this trend will be unpredictable in its early stages. We expect to see a more active customer base in the Gulf Coast market, with the possibility of adding 40% to 2004 revenue for the segment, as 16 of those 22 key customers operate in that market," he added.

## Mat Sales and Mat Rentals

Revenue from the Mat and Integrated Services segment was \$88.9 million for the year, increasing by \$13.2 million over the prior year. More than half of the increase came from sale of Newpark's wooden mat rental inventory in the Canadian market without significant margin contribution. This was in keeping with the strategic shift to become a seller of both wood and composite mats to regional service companies in the geographically diverse Canadian market. Segment operating contribution declined by \$3.1 million to \$515,000 for the year due to higher marketing and operating costs. Composite mat sales were \$9.3 million on 4,800 units for the year, as compared to \$12.7 million on 7,750 units in 2002, while expanded marketing efforts in 2003 contributed to increased operating cost.

Mat rental volume for 2003 totaled 16.6 million square feet at an average price of \$0.93 per square foot. This compares to 15.4 million square feet and \$0.74 per square foot in 2002. "Non-oilfield rentals represented just over 2% of the volume while contributing 10% of 2003 rental revenue due to the better pricing in that segment of the market. We anticipate starting several major projects in that key rental market during 2004 as a cumulative result of our expanded marketing effort to date," Cole said.

Revenue for the recent quarter was \$19.9 million compared to \$22.6 in the year-ago quarter, with the \$2.7 million decline in revenue principally due to lower composite mat sales in the fourth quarter of 2003. Fourth quarter sales

totalled 1,200 units compared to 2,800 in the corresponding quarter of 2002. The segment produced a \$2.3 million loss in the fourth quarter of 2003 compared to a \$2.2 million profit in the year ago period. Absence of significant composite mat sales in the period, increased marketing and operating costs contributed to the fourth quarter loss.

"We expect the unit to show stronger results in 2004 as the industry's Gulf Coast inventory of rental mats continues to decline to new historic lows. Already in 2004 we have begun to see an increase in pricing on new projects, without a corresponding increase in industry activity, primarily as a result of the decline in industry capacity," Cole indicated. "During the past three years, we have sold over 35,000 mats into nine targeted markets worldwide. Some of these markets will remain sales markets, while others will become rental markets over time. Based on market data gathered in 2003, we believe there is a significant rental opportunity in support of expanding exploration and development activity in Mexico. As a result, we will be opening a new business unit in that country in the first quarter. Newpark will be the majority owner of the business with the Mexican principals who are assisting us in development of the market holding a minority stake," Cole added.

#### E&P Waste Services

Revenue from E&P waste was \$53.4 million, increasing \$2.2 million or 4% relative to 2002. Operating income was \$11.5 million, an increase of \$3.4 million or 42% from \$8.2 million reported in 2002. Fiscal 2003 marked the first full year of benefit gained from operating cost reductions made in the 2001-02 restructuring of that business unit. Volume for the year was 3.6 million barrels compared to 3.3 million in the year-ago period, with the added volume coming from the inland barge rig market. Average pricing per barrel was down slightly at \$12.52 compared to \$12.94 a year ago as a result of the change in mix.

Revenue for 2003's fourth quarter was \$13.1 million, compared to \$13.8 million in the 2002 period. Volume in the fourth quarter was 850,000 barrels, down from 902,000 in the year-ago period on lower offshore rig activity. Pricing averaged \$12.18 per barrel compared to \$13.00 a year ago due to the change in mix of revenue. Earnings contribution in the quarter was \$2.6 million, down 8% from \$2.8 million a year ago, a function of lower market volume and changes in mix during the period.

During the second half of 2003, the Company opened a new liquid waste disposal facility to serve the Jonah-Pinedale field in Wyoming, a very active North American natural gas trend. "As currently configured, the Jonah-Pinedale facility could add \$2.5 million in annual revenue and \$0.01 per share to net income. We are currently working on the application of a new technology that would boost the effective capacity of the facility and open the door to on-site processing in the field that would improve revenue and earnings by eliminating transportation cost and strengthening our competitive position in that market," Cole said.

#### Balance Sheet Data

Newpark ended the year with \$12.7 million in cash, including \$8 million in restricted cash temporarily securing a letter of credit obligation pending extension of its bank credit facility. Borrowings under the credit facility totaled \$52.5 million at year-end, including \$8 million drawn to fund the restricted cash deposit. The existing credit facility was to mature in the first quarter of 2005. During 2002 and 2003, Newpark made several amendments to the facility to adjust the financial ratios due to the financial performance of the Company in a period of adverse market conditions. In order to prevent a recurrence of that situation, Newpark has subsequently entered into a new \$85 million asset-backed bank credit facility, providing \$15 million of term borrowings and \$70 million of revolving credit. Availability under the revolving facility is based upon specific advance rates against various classes of assets. As of the closing date, the Company had \$12 million of cash advances immediately available under the facility and \$12.5 million of expansion room in the revolver. Compliance tests under the arrangement are limited to a minimum fixed-charge coverage ratio and tangible net worth covenants.

#### Investor Conference Call

Newpark will host a conference call at 10:30 AM EST, Thursday, February 26. That call will be webcast and can be accessed from the Investor Relations page of the Company's web site at [www.newpark.com](http://www.newpark.com).

Newpark Resources, Inc. provides integrated fluids management,

environmental and oilfield services to the exploration and production industry.

THREE PAGES OF FINANCIAL DATA FOLLOW

The foregoing discussion contains 'forward-looking statements' within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Act of 1934, as amended. There are risks and uncertainties that could cause future events and results to differ materially from those anticipated by management in the forward-looking statements included in this press release. For further information regarding these and other factors, risks and uncertainties affecting Newpark, reference is made to the risk factors set forth in the Prospectus included in Newpark's Registration Statement on Form S-3 filed on May 8, 2002 (File No. 333-87840), and to the section entitled "Forward Looking Statements" on page 17 of that Prospectus. In particular, as described on page 9 of that Prospectus, any material decline in the level of oil and gas exploration and production activity could result in fewer opportunities being available for the service industry in general and Newpark in particular, and may adversely affect the demand for our services. In addition, as described on page 13 of that Prospectus, and rescission or relaxation of governmental regulations, including in the discharge regulations recently implemented, could reduce the demand for Newpark's services and reduce Newpark's revenues and income. You are strongly urged to review these sections for a more detailed discussion of these risks and uncertainties. Newpark's SEC filings can be obtained at no charge at [www.sec.gov](http://www.sec.gov), as well as through our Website, [www.newpark.com](http://www.newpark.com).

Newpark Resources, Inc. Fourth Quarter Comparison (In thousands, except per share data)	Quarter Ended December 31, 2003	2002
Segment Revenues		
E&P Waste Disposal	\$ 13,062	\$ 13,771
Fluids Sales & Engineering	61,619	52,720
Mat & Integrated Services	19,946	22,633
Total Segment Revenues	94,627	89,124
Segment Operating Income		
E&P Waste Disposal	2,574	2,785
Fluids Sales & Engineering	3,850	1,625
Mat & Integrated Services	(2,281)	2,183
Total Segment Operating Income	4,143	6,593
General and administrative expenses	2,375	861
Provision for uncollectible accounts	1,000	---
Writedown of abandoned and disposed assets	350	---
Operating income	418	5,732
Foreign currency exchange (gain) loss	(74)	(173)
Interest income	(63)	(253)
Interest expense	3,839	3,833
Income (loss) before income taxes	(3,284)	2,325
Provision for income taxes	(672)	1,024
Net income (loss)	(2,612)	1,301
Less:		
Preferred stock dividends and accretion	337	572
Other non-cash preferred stock charges	---	(18)
Net income (loss) applicable to common shares	\$ (2,949)	\$ 747
Weighted average common shares outstanding (diluted)	80,988	75,465
Net income (loss) per common share (diluted)	\$ (0.04)	\$ 0.01
Pretax income	\$ (3,284)	\$ 2,325
Depreciation and amortization	5,279	5,101
Interest expense	3,839	3,833
EBITDA	\$ 5,834	\$ 11,259
Waste Data (in thousands, except per barrel amounts)		
E&P waste volume	850	902
Average revenue per barrel	\$ 12.18	\$ 13.00
E&P revenue	\$ 11.3	\$ 12.6
NORM	1.2	0.6
Industrial	0.6	0.6

\$ 13.1 \$ 13.8

Mat Rental Data - Gulf Coast (in thousands,  
except per square foot amounts)

Installation	\$ 3.0	\$ 3.2
Re-rental	1.9	1.7
Total	\$ 4.9	\$ 4.9
Average price per square foot - oilfield	\$ 0.81	\$ 0.70
Square feet installed (MM)	3.7	4.5

Drilling Fluids Data

Average Rigs Serviced (North America)	139	120
Annualized revenue per rig (000's)	\$ 1,520	\$ 1,351

Newpark Resources, Inc.

Fiscal Year Comparison

(In thousands, except per share data)

Year Ended December 31,  
2003 2002

Segment Revenues

E&P Waste Disposal	\$ 53,436	\$ 51,240
Fluids Sales & Engineering	230,863	194,271
Mat & Integrated Services	88,880	75,684
Total Segment Revenues	373,179	321,195

Segment Operating Income

E&P Waste Disposal	11,534	8,111
Fluids Sales & Engineering	12,967	12,681
Mat & Integrated Services	515	3,587
Total Segment Operating Income	25,016	24,379

General and administrative expenses	5,342	5,323
Provision for uncollectible accounts	1,000	---
Writedown of abandoned and disposed assets	350	---
Operating income	18,324	19,056

Foreign currency exchange (gain) loss	(831)	(170)
Interest income	(633)	(741)
Interest expense	15,251	12,286
Income (loss) before income taxes	4,537	7,681
Provision for income taxes	2,460	3,060
Net income (loss)	2,077	4,621

Less:

Preferred stock dividends and accretion	1,583	3,071
Other non-cash preferred stock charges	---	1,037
Net income (loss) applicable to common shares	\$ 494	\$ 513

Weighted average common shares

outstanding (diluted):	79,905	71,879
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Net income (loss) per common share:	\$ 0.01	\$ 0.01
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Pretax income	\$ 4,537	\$ 7,681
Depreciation and amortization	21,329	21,843
Interest expense	15,251	12,286
EBITDA	\$ 41,117	\$ 41,810

Waste Data (in thousands, except per barrel  
amounts)

E&P waste volume	3,589	3,256
Average revenue per barrel	\$ 12.52	\$ 12.94
E&P revenue	\$ 47.8	\$ 45.0
NORM	3.4	4.0
Industrial	2.2	2.3
	\$ 53.4	\$ 51.3

Mat Rental Data - Gulf Coast (in thousands,  
except per square foot amounts)

Installation	\$ 15.5	\$ 11.4
Re-rental	8.6	5.6
Total	\$ 24.1	\$ 17.0
Average price per square foot - oilfield	\$ 0.93	\$ 0.74
Square feet installed (MM)	16.6	15.4

Drilling Fluids Data

Average Rigs Serviced (North America)	138	121
Annualized revenue per rig (000's)	\$ 1,407	\$ 1,425

Consolidated Balance Sheets (Unaudited) (In thousands)	December 31, 2003	December 31, 2002
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 4,692	\$ 2,725
Restricted cash	8,029	---
Trade accounts receivable, less allowances	99,948	97,657
Notes and other receivables	5,428	3,307
Inventories	74,846	55,473
Deferred tax asset	8,698	11,094
Prepaid expenses and other current assets	8,510	10,039
Total current assets	210,151	180,295
Property, plant and equipment, net	206,238	204,703
Goodwill	115,247	110,727
Deferred tax asset	9,400	8,950
Other intangible assets, net of accumulated amortization	15,002	15,786
Other assets	19,462	21,795
	\$ 575,500	\$ 542,256
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Foreign bank lines of credit	\$ 10,610	\$ 6,621
Current maturities of long-term debt	3,259	3,258
Accounts payable	40,479	35,568
Accrued liabilities	21,894	18,414
Total current liabilities	76,242	63,861
Long-term debt, less current portion	183,600	172,049
Other noncurrent liabilities	1,697	923
Preferred Stock	30,000	41,875
Common Stock	811	777
Paid-in capital	390,788	376,278
Unearned restricted stock compensation	(803)	(281)
Accumulated other comprehensive income	5,033	(864)
Retained deficit	(111,868)	(112,362)
Total stockholders' equity	313,961	305,423
	\$575,500	\$ 542,256

SOURCE Newpark Resources, Inc.

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02/25/2004

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(NR)

CO: Newpark Resources, Inc.

ST: Louisiana

IN: OIL ENV

SU: ERN CCA MAV