

EAGLE MATERIALS INC
Form 10-Q
February 09, 2012
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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

December 31, 2011

Commission File Number 1-12984

Eagle Materials Inc.

Delaware

(State of Incorporation)

75-2520779

(I.R.S. Employer Identification No.)

3811 Turtle Creek Blvd., Suite 1100, Dallas, Texas 75219

(Address of principal executive offices)

(214) 432-2000

(Registrant's telephone number)

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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES NO

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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 definition of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) 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

As of February 2, 2012, the number of outstanding shares of common stock was:

Class	Outstanding Shares
Common Stock, \$.01 Par Value	44,944,310

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Eagle Materials Inc. and Subsidiaries

Form 10-Q

December 31, 2011

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Consolidated Statements of Earnings

(dollars in thousands, except share data)

(unaudited)

	For the Three Months Ended December 31,		For the Nine Months Ended December 31,	
	2011	2010	2011	2010
Revenues	\$ 123,596	\$ 103,870	\$ 378,222	\$ 366,799
Cost of Goods Sold	111,125	96,030	352,661	328,979
Gross Profit	12,471	7,840	25,561	37,820
Equity in Earnings of Unconsolidated Joint Venture	7,776	7,196	21,160	17,868
Corporate General and Administrative	(3,873)	(3,942)	(12,463)	(12,060)
Loss on Arbitration Ruling	(9,117)		(9,117)	
Other Income (Expense)	(464)	192	(428)	1,084
Loss on Debt Retirement	(2,094)		(2,094)	
Interest Expense, Net	(4,210)	(4,666)	(13,352)	(13,104)
Earnings Before Income Taxes	489	6,620	9,267	31,608
Income Tax Benefit (Expense)	2,408	(1,124)	462	(5,955)
Net Earnings	\$ 2,897	\$ 5,496	\$ 9,729	\$ 25,653
EARNINGS PER SHARE:				
Basic	\$ 0.07	\$ 0.13	\$ 0.22	\$ 0.58
Diluted	\$ 0.07	\$ 0.12	\$ 0.22	\$ 0.58
AVERAGE SHARES OUTSTANDING:				
Basic	44,212,098	43,887,833	44,197,540	43,858,606
Diluted	44,395,982	44,199,121	44,423,467	44,200,558
CASH DIVIDENDS PER SHARE:				
	\$ 0.10	\$ 0.10	\$ 0.30	\$ 0.30

See notes to unaudited consolidated financial statements.

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Consolidated Balance Sheets

(dollars in thousands)

	December 31, 2011 (unaudited)	March 31, 2011
ASSETS		
Current Assets -		
Cash and Cash Equivalents	\$ 3,679	\$ 1,874
Accounts and Notes Receivable	54,491	43,855
Inventories	113,613	115,237
Income Tax Receivable	9,109	9,088
Prepaid and Other Assets	3,045	4,572
Total Current Assets	183,937	174,626
Property, Plant and Equipment -	1,138,261	1,115,058
Less: Accumulated Depreciation	(548,284)	(512,228)
Property, Plant and Equipment, net	589,977	602,830
Notes Receivable	3,448	5,326
Investment in Joint Venture	37,571	33,661
Goodwill and Intangible Assets	151,061	151,539
Other Assets	19,155	17,828
	\$ 985,149	\$ 985,810
LIABILITIES AND STOCKHOLDERS EQUITY		
Current Liabilities -		
Accounts Payable	\$ 33,344	\$ 30,339
Accrued Liabilities	42,456	40,011
Income Taxes Payable	3,392	
Current Portion of Long-term Debt	4,677	
Total Current Liabilities	83,869	70,350
Long-term Debt	276,259	287,000
Other Long-term Liabilities	35,268	37,807
Deferred Income Taxes	127,562	129,139
Total Liabilities	522,958	524,296
Stockholders Equity -		
Preferred Stock, Par Value \$0.01; Authorized 5,000,000 Shares; None Issued		
Common Stock, Par Value \$0.01; Authorized 100,000,000 Shares; Issued and Outstanding 44,944,310 and 44,447,428 Shares, respectively	449	444
Capital in Excess of Par Value	29,235	24,859
Accumulated Other Comprehensive Losses	(2,893)	(2,893)
Retained Earnings	435,400	439,104

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Total Stockholders' Equity	462,191	461,514
	\$ 985,149	\$ 985,810

See notes to the unaudited consolidated financial statements.

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Consolidated Statements of Cash Flows

(unaudited dollars in thousands)

	For the Nine Months ended December 31,	
	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Earnings	\$ 9,729	\$ 25,653
Adjustments to Reconcile Net Earnings to Net Cash Provided by Operating Activities -		
Depreciation, Depletion and Amortization	37,354	36,966
Gain on Sale of Property, Plant and Equipment		(485)
Deferred Income Tax Provision	(1,735)	3,899
Stock Compensation Expense	4,042	2,845
Excess Tax Benefits from Share Based Payment Arrangements	(156)	(652)
Equity in Earnings of Unconsolidated Joint Venture	(21,160)	(17,868)
Distributions from Joint Venture	17,250	20,250
Changes in Operating Assets and Liabilities:		
Accounts and Notes Receivable	(8,758)	4,903
Inventories	1,624	(5,141)
Accounts Payable and Accrued Liabilities	3,051	(6,344)
Other Assets	(891)	(1,508)
Income Taxes Payable	3,392	(24,406)
Net Cash Provided by Operating Activities	43,742	38,112
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, Plant and Equipment Additions	(22,944)	(11,743)
Proceeds from Sale of Property, Plant and Equipment		600
Net Cash Used in Investing Activities	(22,944)	(11,143)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase in Bank Credit Facility	82,000	2,000
Repayment of Senior Notes	(88,064)	(15,000)
Dividends Paid to Stockholders	(13,424)	(13,214)
Proceeds from Stock Option Exercises	732	1,230
Shares Redeemed to Settle Employee Taxes on Stock Compensation	(393)	
Excess Tax Benefits from Share Based Payment Arrangements	156	652
Net Cash Used in Financing Activities	(18,993)	(24,332)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,805	