

ASTEC INDUSTRIES INC  
Form 10-Q  
May 12, 2014

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2014

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 001-11595

Astec Industries, Inc.  
(Exact name of registrant as specified in its charter)

Tennessee  
(State or other jurisdiction of  
incorporation or organization)

62-0873631  
(I.R.S. Employer Identification No.)

1725 Shepherd Road, Chattanooga, Tennessee  
(Address of principal executive offices)

37421  
(Zip Code)

(423) 899-5898  
(Registrant's telephone number, including area code)

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

Large Accelerated Filer

Accelerated Filer

Edgar Filing: ASTEC INDUSTRIES INC - Form 10-Q

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 24, 2014
Common Stock, par value \$0.20	22,909,379

1

---

ASTEC INDUSTRIES, INC.  
INDEX

PART I - Financial Information

Item 1. Financial Statements (unaudited)

Condensed Consolidated Balance Sheets as  
of March 31, 2014 and December 31, 2013

Condensed Consolidated Statements of Income for the Three  
Months Ended March 31, 2014 and 2013

Condensed Consolidated Statements of Comprehensive Income for the Three  
Months Ended  
March 31, 2014 and 2013

Condensed Consolidated Statements of Cash Flows for the Three Months  
Ended March 31,  
2014 and 2013

Condensed Consolidated Statement of Equity for the Three Months Ended March 31,  
2014

Notes to Unaudited Condensed  
Consolidated Financial Statements

Item 2. Management's Discussion and Analysis of Financial  
Condition and Results of Operations

Item 3. Quantitative and Qualitative Disclosures about Market  
Risk

Item 4. Controls and Procedures

PART II - Other Information

Item 1. Legal Proceedings

Item 1A. Risk Factors

Item 6. Exhibits



## PART I -- FINANCIAL INFORMATION

## Item 1. Financial Statements

Astec Industries, Inc.  
Condensed Consolidated Balance Sheets  
(in thousands)  
(unaudited)

	March 31, 2014	December 31, 2013
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 44,969	\$ 35,564
Short-term investments	1,462	17,176
Trade receivables, net	105,939	92,055
Other receivables	3,141	2,734
Inventories	361,209	342,313
Prepaid expenses and other	15,416	17,645
Deferred income tax assets	13,301	14,924
Total current assets	545,437	522,411
Property and equipment, net	187,895	184,520
Investments	11,842	12,085
Goodwill	15,056	15,057
Other long-term assets	14,474	15,218
Total assets	\$ 774,704	\$ 749,291
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 59,364	\$ 45,845
Federal income taxes payable	4,717	768
Accrued product warranty	13,494	12,716
Customer deposits	36,681	37,498
Accrued payroll and related liabilities	15,960	16,988
Accrued loss reserves	3,520	3,328
Other current liabilities	19,224	16,388
Total current liabilities	152,960	133,531
Deferred income tax liabilities	14,025	17,455
Other long-term liabilities	18,465	17,794
Total liabilities	185,450	168,780
Shareholders' equity	584,448	576,876
Non-controlling interest	4,806	3,635
Total equity	589,254	580,511
Total liabilities and equity	\$ 774,704	\$ 749,291

See Notes to Unaudited Condensed Consolidated Financial Statements

Astec Industries, Inc.  
 Condensed Consolidated Statements of Income  
 (in thousands, except per share data)  
 (unaudited)

	Three Months Ended March 31,	
	2014	2013
Net sales	\$238,673	\$247,833
Cost of sales	181,916	189,266
Gross profit	56,757	58,567
Selling, general, administrative and engineering expenses	43,424	40,367
Income from operations	13,333	18,200
Interest expense	73	70
Other income, net of expenses	814	752
Income from operations before income taxes	14,074	18,882
Income taxes	4,527	5,631
Net income	9,547	13,251
Net income attributable to non-controlling interest	2	80
Net income attributable to controlling interest	\$9,545	\$13,171
Earnings per common share		
Net income attributable to controlling interest:		
Basic	\$0.42	\$0.58
Diluted	\$0.41	\$0.57
Weighted average number of common shares outstanding:		
Basic	22,786	22,723
Diluted	23,102	23,080
Dividends declared per common share	\$0.10	\$-

See Notes to Unaudited Condensed Consolidated Financial Statements

