

MANITOWOC CO INC
Form 10-Q
August 01, 2014

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 June 30, 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
1-11978

The Manitowoc Company, Inc.
(Exact name of registrant as specified in its charter)

Wisconsin
(State or other jurisdiction
of incorporation or organization)

2400 South 44th Street,
Manitowoc, Wisconsin
(Address of principal executive offices)

39-0448110
(I.R.S. Employer
Identification Number)

54221-0066
(Zip Code)

(920) 684-4410
(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 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 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.

Large accelerated filer Accelerated filer

Non-accelerated filer Smaller reporting company

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(Do not check if a 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

The number of shares outstanding of the Registrant's common stock, \$.01 par value, as of June 30, 2014, the most recent practicable date, was 135,298,313.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

THE MANITOWOC COMPANY, INC.

Condensed Consolidated Statements of Operations

For the Three and Six Months Ended June 30, 2014 and 2013

(Unaudited)

(In millions, except per-share and average shares data)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|--------------------------------|-----------|------------------------------|-----------|
| | 2014 | 2013 | 2014 | 2013 |
| Net sales | \$1,012.8 | \$1,037.1 | \$1,862.8 | \$1,931.7 |
| Costs and expenses: | | | | |
| Cost of sales | 740.5 | 761.1 | 1,363.4 | 1,433.6 |
| Engineering, selling and administrative expenses | 167.0 | 159.5 | 329.7 | 316.1 |
| Amortization expense | 8.8 | 8.9 | 17.6 | 17.9 |
| Restructuring expense | 1.0 | 0.9 | 3.0 | 1.2 |
| Other | 0.1 | — | 0.1 | 0.3 |
| Total operating costs and expenses | 917.4 | 930.4 | 1,713.8 | 1,769.1 |
| Earnings from operations | 95.4 | 106.7 | 149.0 | 162.6 |
| Other income (expense): | | | | |
| Interest expense | (25.1 |) (32.2 |) (44.4 |) (65.2 |
| Amortization of deferred financing fees | (1.1 |) (1.7 |) (2.3 |) (3.5 |
| Loss on debt extinguishment | — | — | (25.3 |) (0.4 |
| Other (expense) income, net | (3.1 |) (1.4 |) (2.3 |) 0.2 |
| Total other expense | (29.3 |) (35.3 |) (74.3 |) (68.9 |
| Earnings from continuing operations before taxes on income | 66.1 | 71.4 | 74.7 | 93.7 |
| Provision for taxes on income | 19.2 | 9.3 | 21.8 | 17.8 |
| Earnings from continuing operations | 46.9 | 62.1 | 52.9 | 75.9 |
| Discontinued operations: | | | | |
| Loss from discontinued operations, net of income taxes of \$(0.3), \$(1.2), \$(0.3) and \$(1.3), respectively | (0.3 |) (7.6 |) (1.3 |) (11.7 |
| Loss on sale of discontinued operations, net of income taxes of \$0.0, \$0.0, \$0.0 and \$3.3, respectively | — | — | (9.9 |) (1.6 |
| Net earnings | 46.6 | 54.5 | 41.7 | 62.6 |
| Less: Net (loss) earnings attributable to noncontrolling interest, net of income taxes | — | (3.1 |) 3.9 | (5.4 |
| Net earnings attributable to Manitowoc | \$46.6 | \$57.6 | \$37.8 | \$68.0 |

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Amounts attributable to the Manitowoc common shareholders:

| | | | | |
|--|--------|--------|--------|--------|
| Earnings from continuing operations | \$46.9 | \$62.4 | \$48.6 | \$76.5 |
| Loss from discontinued operations, net of income taxes | (0.3 |) (4.8 |) (0.9 |) (6.9 |
| Loss on sale of discontinued operations, net of income taxes | — | — | (9.9 |) (1.6 |
| Net earnings attributable to Manitowoc | \$46.6 | \$57.6 | \$37.8 | \$68.0 |

Basic earnings (loss) per common share:

| | | | | |
|---|--------|--------|---------|---------|
| Earnings from continuing operations attributable to Manitowoc common shareholders | \$0.35 | \$0.47 | \$0.36 | \$0.58 |
| Loss from discontinued operations attributable to Manitowoc common shareholders | — | (0.04 |) (0.01 |) (0.05 |
| Loss on sale of discontinued operations, net of income taxes | — | — | (0.07 |) (0.01 |
| Earnings per share attributable to Manitowoc common shareholders | | | | |