

Primoris Services Corp
Form 10-Q
November 06, 2012
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**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 September 30, 2012

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 0001-34145

Primoris Services Corporation

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

20-4743916

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

2100 McKinney Avenue, Suite 1500

Dallas, Texas

(Address of Principal Executive Offices)

75201

(Zip Code)

Registrant's telephone number, including area code: **(214) 740-5600**

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 (Section 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

Non-accelerated filer

Smaller reporting company

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

At November 5, 2012, 51,388,406 shares of the registrant's common stock were outstanding.

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PRIMORIS SERVICES CORPORATION

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PRIMORIS SERVICES CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS

(In Thousands, Except Share Amounts)

(Unaudited)

	September 30, 2012	December 31, 2011
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 76,654	\$ 120,306
Short term investments	6,380	23,000
Customer retention deposits and restricted cash	34,814	31,490
Accounts receivable, net	263,144	187,378
Costs and estimated earnings in excess of billings	63,931	41,866
Inventory and uninstalled contract materials	37,334	31,926
Deferred tax assets	10,659	10,659
Prepaid expenses and other current assets	7,992	13,252
Total current assets	500,908	459,877
Property and equipment, net	159,369	129,649
Investment in non-consolidated entities	12,322	12,687
Intangible assets, net	32,452	32,021
Goodwill	104,019	94,179
Total assets	\$ 809,070	\$ 728,413
LIABILITIES AND STOCKHOLDERS EQUITY		
Current liabilities:		
Accounts payable	\$ 133,098	\$ 106,725
Billings in excess of costs and estimated earnings	145,582	137,729
Accrued expenses and other current liabilities	84,783	59,923
Dividends payable	1,542	1,532
Current portion of capital leases	3,656	6,623
Current portion of long-term debt	16,107	13,870
Current portion of subordinated debt		15,167
Current portion of contingent earnout liabilities	10,050	3,450
Total current liabilities	394,818	345,019
Long-term capital leases, net of current portion	3,833	4,047
Long-term debt, net of current portion	58,109	55,852
Long-term subordinated debt, net of current portion		7,334
Deferred tax liabilities	21,079	21,079
Long-term contingent earnout liabilities, net of current portion	4,879	9,268
Other long-term liabilities	10,104	10,882
Total liabilities	492,822	453,481

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Commitments and contingencies			
Stockholders' equity			
Common stock - \$.0001 par value, 90,000,000 shares authorized, 51,403,686 and 51,059,132 issued and outstanding at September 30, 2012 and December 31, 2011		5	5
Additional paid-in capital		155,605	150,003
Retained earnings		160,038	124,924
Noncontrolling interest		600	
Total stockholders' equity		316,248	274,932
Total liabilities and stockholders' equity	\$	809,070	\$ 728,413

See Accompanying Notes to Condensed Consolidated Financial Statements

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PRIMORIS SERVICES CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In Thousands, Except Per Share Amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Revenues	\$ 431,842	\$ 375,483	\$ 1,060,851	\$ 1,087,084
Cost of revenues	375,551	323,362	922,960	952,927
Gross profit	56,291	52,121	137,891	134,157
Selling, general and administrative expenses	26,014	20,103	69,684	60,425
Operating income	30,277	32,018	68,207	73,732
Other income (expense):				