

AGCO CORP /DE
Form 10-Q
August 08, 2017

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 quarter ended June 30, 2017

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: 001-33767

AGCO CORPORATION

(Exact name of Registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

4205 River Green Parkway

Duluth, Georgia

(Address of principal executive offices)

(770) 813-9200

58-1960019

30096

(Zip 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, a smaller reporting company or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company Emerging growth company

(Do not check if a smaller reporting company)

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

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As of August 4, 2017, there are 79,539,195 shares of the registrant's common stock, par value of \$0.01 per share, outstanding.

AGCO CORPORATION AND SUBSIDIARIES
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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

AGCO CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (unaudited and in millions, except share amounts)

	June 30, 2017	December 31, 2016
ASSETS		
Current Assets:		
Cash and cash equivalents	\$317.8	\$ 429.7
Accounts and notes receivable, net	1,019.5	890.4
Inventories, net	1,885.4	1,514.8
Other current assets	367.7	330.8
Total current assets	3,590.4	3,165.7
Property, plant and equipment, net	1,391.2	1,361.3
Investment in affiliates	441.2	414.9
Deferred tax assets	97.1	99.7
Other assets	153.6	143.1
Intangible assets, net	596.0	607.3
Goodwill	1,423.0	1,376.4
Total assets	\$7,692.5	\$ 7,168.4
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current Liabilities:		
Current portion of long-term debt	\$90.4	\$ 85.4
Accounts payable	869.0	722.6
Accrued expenses	1,215.9	1,160.8
Other current liabilities	183.9	176.1
Total current liabilities	2,359.2	2,144.9
Long-term debt, less current portion and debt issuance costs	1,772.1	1,610.0
Pensions and postretirement health care benefits	267.3	270.0
Deferred tax liabilities	119.6	112.4
Other noncurrent liabilities	202.9	193.9
Total liabilities	4,721.1	4,331.2
Commitments and contingencies (Note 16)		
Stockholders' Equity:		
AGCO Corporation stockholders' equity:		
Preferred stock; \$0.01 par value, 1,000,000 shares authorized, no shares issued or outstanding in 2017 and 2016	—	—
Common stock; \$0.01 par value, 150,000,000 shares authorized, 79,502,405 and 79,465,393 shares issued and outstanding at June 30, 2017 and December 31, 2016, respectively	0.8	0.8
Additional paid-in capital	123.9	103.3
Retained earnings	4,171.1	4,113.6
Accumulated other comprehensive loss	(1,388.3)	(1,441.6)
Total AGCO Corporation stockholders' equity	2,907.5	2,776.1
Noncontrolling interests	63.9	61.1

Total stockholders' equity	2,971.4	2,837.2
Total liabilities and stockholders' equity	\$7,692.5	\$ 7,168.4

See accompanying notes to condensed consolidated financial statements.

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AGCO CORPORATION AND SUBSIDIARIES
 CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
 (unaudited and in millions, except per share data)

	Three Months Ended June 30,	
	2017	2016
Net sales	\$2,165.2	\$1,995.6
Cost of goods sold	1,689.8	1,568.6
Gross profit	475.4	427.0
Selling, general and administrative expenses	236.1	217.8
Engineering expenses	76.7	77.1
Restructuring expenses	0.4	2.1
Amortization of intangibles	13.8	11.4
Income from operations	148.4	118.6
Interest expense, net	11.3	11.9
Other expense, net	17.7	16.0
Income before income taxes and equity in net earnings of affiliates	119.4	90.7
Income tax provision	36.9	54.8
Income before equity in net earnings of affiliates	82.5	35.9
Equity in net earnings of affiliates	9.1	13.5
Net income	91.6	49.4
Net (income) loss attributable to noncontrolling interests	(0.1)