

USG CORP
Form 10-Q
July 25, 2013
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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 June 30, 2013

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 1-8864

USG CORPORATION
(Exact name of registrant as specified in its charter)

Delaware 36-3329400
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

550 West Adams Street, Chicago, Illinois 60661-3676
(Address of principal executive offices) (Zip code)

Registrant's telephone number, including area code (312) 436-4000

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company (as defined in Rule 12b-2 of the Exchange Act).

Large accelerated filer Accelerated filer Non-accelerated filer 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 of the registrant's common stock outstanding as of June 30, 2013 was 108,573,275.

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PART I FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
USG CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(millions, except per-share and share data)	Three months ended June 30,		Six months ended June 30,		
	2013	2012	2013	2012	
Net sales	\$916	\$798	\$1,730	\$1,581	
Cost of products sold	765	696	1,455	1,377	
Gross profit	151	102	275	204	
Selling and administrative expenses	76	74	149	150	
Restructuring and long-lived asset impairment charges	1	—	3	2	
Operating profit	74	28	123	52	
Interest expense	50	52	100	104	
Interest income	(1) (1) (2) (2)
Loss on extinguishment of debt	—	41	—	41	
Other income, net	(2) (2) (1) (1)
Income (loss) from continuing operations before income taxes	27	(62) 26	(90)
Income tax expense (benefit)	2	(3) (1) (2)
Income (loss) from continuing operations	25	(59) 27	(88)
Income from discontinued operations, net of tax	—	2	—	4	
Net income (loss)	\$25	\$(57) \$27	\$(84)
Earnings per common share - basic:					
Income (loss) from continuing operations	\$0.23	\$(0.55) \$0.25	\$(0.83)
Income from discontinued operations	—	0.02	—	0.04	
Net income (loss)	\$0.23	\$(0.53) \$0.25	\$(0.79)
Earnings per common share - diluted:					
Income (loss) from continuing operations	\$0.22	\$(0.55) \$0.24	\$(0.83)
Income from discontinued operations	—	0.02	—	0.04	
Net income (loss)	\$0.22	\$(0.53) \$0.24	\$(0.79)
Average common shares	108,544,752	106,089,602	108,449,431	105,839,241	
Average diluted common shares	111,047,951	106,089,602	111,245,400	105,839,241	
See accompanying Notes to Consolidated Financial Statements.					

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USG CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(millions)	Three months ended June 30,	Six months ended June 30,
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