Titan Machinery Inc. Form 10-Q June 16, 2008

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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 April 30, 2008

Commission File No. 000-1409171

TITAN MACHINERY INC.

(Exact name of registrant as specified in its charter)

Delaware (State or Other Jurisdiction of

No. 45-0357838 (IRS Employer

Incorporation or Organization)

Identification No.)

4876 Rocking Horse Circle

Fargo, ND 58104-6049

(Address of Principal Executive Offices)

Registrant s telephone number (701) 356-0130

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the 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 x NO o

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 O

Accelerated filer O

Non-accelerated filer 0 (Do not check if a smaller reporting company)

Smaller reporting company X

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

The number of shares outstanding of the registrant s common stock as of June 1, 2008 was: Common Stock, \$0.00001 par value, 17,632,184 shares.

TITAN MACHINERY INC.

QUARTERLY REPORT ON FORM 10-Q

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Signature	<u>s</u>				

UNITED STATES 3

Exhibit Index

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

TITAN MACHINERY INC.

CONSOLIDATED BALANCE SHEETS

CURRENT ASSETS		April 30, 2008 (Unaudited)	January 31, 2008
Cash and cash equivalents \$ 41,968,933 \$ 42,802,505 Receivables, net 28,170,302 22,061,275 Inventories 140,655,034 145,6686 Prepaid expenses 341,271 215,312 Income taxes receivable 1,068,000 1,077,000 Deferred income taxes 212,203,540 212,947,174 Total current assets 212,203,540 212,947,174 Total current assets 1,780,000 1,480,000 Goodwill 8,478,554 8,271,133 Intagible assets, net of accumulated amortization 317,570 337,242 Other 330,949 311,881 PROPERTY AND EQUIPMENT, net of accumulated depreciation 16,903,567 16,022,336 ELABILITIES AND STOCKHOLDERS EQUITY \$ 240,014,180 \$ 239,369,466 CHARDITIABILITIES \$ 96,773,485 105,847,648 Clooptan notes payable 96,773,485 105,847,648 Clorent maturities of long-term debt 3,465,961 5,633,840 Customer deposits 25,735,043 19,095,33 Accrued expenses 3,438,104	ASSETS		
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Intrangibles and other assers Parts inventory in excess of amounts expected to be sold currently 1,780,000 1,480,000 3,478,554 8,271,133 1,139,157 337,242 330,949 311,581 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,073 10,399,956 10,907,	Total current assets	212 203 540	212 947 174
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Other 330,949 311,581 PROPERTY AND EQUIPMENT, net of accumulated depreciation 16,903,567 16,022,336 EVALUABILITIES AND STOCKHOLDERS EQUITY CURRENT LIABILITIES Accounts payable \$ 13,789,144 \$ 9,244,064 Floorplan notes payable 96,773,485 105,847,648 Current maturities of long-term debt 3,465,961 5,653,840 Customer deposits 25,735,043 19,309,533 Accrued expenses 5,438,104 6,137,842 Income taxes payable 1,240,533 Total current liabilities 146,442,270 146,192,927 LONG-TERM LIABILITIES 10,519,986 13,082,795 Long-term debt, less current maturities 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689		8,478,554	8,271,133
Other 330,949 311,581 PROPERTY AND EQUIPMENT, net of accumulated depreciation 16,903,567 16,022,336 EVALUABILITIES AND STOCKHOLDERS EQUITY CURRENT LIABILITIES Accounts payable \$ 13,789,144 \$ 9,244,064 Floorplan notes payable 96,773,485 105,847,648 Current maturities of long-term debt 3,465,961 5,653,840 Customer deposits 25,735,043 19,309,533 Accrued expenses 5,438,104 6,137,842 Income taxes payable 1,240,533 Total current liabilities 146,442,270 146,192,927 LONG-TERM LIABILITIES 10,519,986 13,082,795 Long-term debt, less current maturities 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689	Intangible assets, net of accumulated amortization	317,570	337,242
PROPERTY AND EQUIPMENT, net of accumulated depreciation 16,903,567 16,022,336 LIABILITIES AND STOCKHOLDERS EQUITY CURRENT LIABILITIES Accounts payable \$ 13,789,144 \$ 9,244,064 Floorplan notes payable \$ 96,773,485 105,847,648 Current maturities of long-term debt 3,465,961 5,653,840 Customer deposits 25,735,043 19,309,533 Accrued expenses 5,438,104 6,137,842 Income taxes payable 1,240,533 Total current liabilities 146,442,270 146,192,927 LONG-TERM LIABILITIES 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689		330,949	311,581
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\$ 240,014,180 \$ 239,369,466			
LIABILITIES AND STOCKHOLDERS EQUITY CURRENT LIABILITIES Accounts payable \$ 13,789,144 \$ 9,244,064 Floorplan notes payable 96,773,485 105,847,648 Current maturities of long-term debt 3,465,961 5,653,840 Customer deposits 25,735,043 19,309,533 Accrued expenses 5,438,104 6,137,842 Income taxes payable 1,240,533 Total current liabilities 146,442,270 146,192,927 LONG-TERM LIABILITIES 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689	PROPERTY AND EQUIPMENT, net of accumulated depreciation	16,903,567	16,022,336
LIABILITIES AND STOCKHOLDERS EQUITY CURRENT LIABILITIES Accounts payable \$ 13,789,144 \$ 9,244,064 Floorplan notes payable 96,773,485 105,847,648 Current maturities of long-term debt 3,465,961 5,653,840 Customer deposits 25,735,043 19,309,533 Accrued expenses 5,438,104 6,137,842 Income taxes payable 1,240,533 Total current liabilities 146,442,270 146,192,927 LONG-TERM LIABILITIES 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689			
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CURRENT LIABILITIES Accounts payable \$ 13,789,144 \$ 9,244,064 Floorplan notes payable 96,773,485 105,847,648 Current maturities of long-term debt 3,465,961 5,653,840 Customer deposits 25,735,043 19,309,533 Accrued expenses 5,438,104 6,137,842 Income taxes payable 1,240,533 Total current liabilities 146,442,270 146,192,927 LONG-TERM LIABILITIES 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689	LIADH ITIEC AND CTOCKHOLDEDC FOLHTV		
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Current maturities of long-term debt 3,465,961 5,653,840 Customer deposits 25,735,043 19,309,533 Accrued expenses 5,438,104 6,137,842 Income taxes payable 1,240,533 Total current liabilities 146,442,270 146,192,927 LONG-TERM LIABILITIES 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689	1 7	. , ,	
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LONG-TERM LIABILITIES Long-term debt, less current maturities 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689	• •		
Long-term debt, less current maturities 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689	Total current liabilities	146,442,270	146,192,927
Long-term debt, less current maturities 10,519,986 13,082,795 Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689			
Deferred income taxes 1,897,000 1,865,000 Other long term liabilities 1,513,943 811,689			
Other long term liabilities 1,513,943 811,689	Long-term debt, less current maturities	10,519,986	13,082,795
	Deferred income taxes	1,897,000	1,865,000
13,930,929 15,759,484	Other long term liabilities	1,513,943	811,689
		13,930,929	15,759,484

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SUBORDINATED DEBENTURES			1,300,000
STOCKHOLDERS EQUITY			
Common stock, par value \$.00001 per share, authorized - 25,000,000 shares; issued and			
outstanding - 13,449,880 at April 30, 2008 and 13,440,654 at January 31, 2008		134	134
Additional paid-in-capital		58,316,496	58,179,695
Retained earnings		21,324,351	17,937,226
		79,640,981	76,117,055
	\$	240,014,180 \$	239,369,466

See Notes to Consolidated Financial Statements

1

TITAN MACHINERY INC.

CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

Three Months Ended
April 30,
2008 2007