

CARDTRONICS INC
Form 10-Q
April 28, 2011

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 March 31, 2011

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: 001-33864

CARDTRONICS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

76-0681190
(I.R.S. Employer
Identification No.)

3250 Briarpark Drive, Suite 400
Houston, TX
(Address of principal executive offices)

77042
(Zip Code)

Registrant's telephone number, including area code: (832) 308-4000

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 (§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

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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 <input type="checkbox"/>	Accelerated filer R <input type="checkbox"/>	Non-accelerated filer <input type="checkbox"/>	Smaller reporting company <input type="checkbox"/>
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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

Common Stock, par value: \$0.0001 per share. Shares outstanding on April 25, 2011: 43,068,122

CARDTRONICS, INC.

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When we refer to "us," "we," "our," "ours" or "the Company," we are describing Cardtronics, Inc. and/or our subsidiaries.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CARDTRONICS, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, excluding share and per share amounts)

	March 31, 2011 (Unaudited)	December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$3,684	\$3,189
Accounts and notes receivable, net of allowance of \$449 and \$507 as of March 31, 2011 and December 31, 2010, respectively	23,784	20,270
Inventory	1,659	1,795
Restricted cash, short-term	3,220	4,466
Current portion of deferred tax asset, net	13,011	15,017
Prepaid expenses, deferred costs, and other current assets	11,394	10,222
Total current assets	56,752	54,959
Property and equipment, net	161,355	156,465
Intangible assets, net	72,657	74,799
Goodwill	165,030	164,558
Deferred tax asset, net	741	715
Prepaid expenses, deferred costs, and other assets	5,197	3,819
Total assets	\$461,732	\$455,315
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current portion of long-term debt and notes payable	\$3,345	\$3,076
Current portion of other long-term liabilities	23,497	24,493
Accounts payable	17,291	20,167
Accrued liabilities	43,903	50,543
Current portion of deferred tax liability, net	741	715
Total current liabilities	88,777	98,994
Long-term liabilities:		
Long-term debt, net of related discounts	252,041	251,757
Deferred tax liability, net	14,546	10,268
Asset retirement obligations	27,687	26,657
Other long-term liabilities	19,257	23,385
Total liabilities	402,308	411,061
Commitments and contingencies		
Stockholders' equity:		
Common stock, \$0.0001 par value; 125,000,000 shares authorized; 48,692,735 and 48,396,134 shares issued as of March 31, 2011 and December 31, 2010, respectively; 43,063,122 and 42,833,342 shares outstanding as of March 31, 2011	4	4

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and December 31, 2010, respectively		
Additional paid-in capital	218,617	213,754
Accumulated other comprehensive loss, net	(60,416)	(65,053)
Accumulated deficit	(49,483)	(55,963)
Treasury stock; 5,629,613 and 5,562,792 shares at cost as of March 31, 2011 and December 31, 2010, respectively	(51,312)	(50,351)
Total parent stockholders' equity	57,410	42,391
Noncontrolling interests	2,014	1,863
Total stockholders' equity	59,424	44,254
Total liabilities and stockholders' equity	\$461,732	\$455,315

See accompanying notes to consolidated financial statements.

CARDTRONICS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, excluding share and per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2011	2010
Revenues:		
ATM operating revenues	\$133,099	\$125,687
ATM product sales and other revenues	4,942	2,089
Total revenues	138,041	