

ASTEC INDUSTRIES INC
Form 10-Q
November 12, 2013

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, 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 001-11595

Astec Industries, Inc.
(Exact name of registrant as specified in its charter)

Tennessee
(State or other jurisdiction of
incorporation or organization)

62-0873631
(I.R.S. Employer Identification No.)

1725 Shepherd Road, Chattanooga, Tennessee
(Address of principal executive offices)

37421
(Zip Code)

(423) 899-5898
(Registrant's telephone number, including area 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, 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

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

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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at October 23, 2013
Common Stock, par value \$0.20	22,853,558

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PART I -- FINANCIAL INFORMATION

Item 1. Financial Statements

Astec Industries, Inc.
Condensed Consolidated Balance Sheets
(in thousands)
(unaudited)

	September 30, 2013	December 31, 2012
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 46,342	\$ 80,929
Short-term investments	16,343	1,334
Trade receivables, net	95,023	85,595
Other receivables	2,324	3,453
Inventories	339,826	312,683
Prepaid expenses and other	9,838	9,875
Deferred income tax assets	11,863	10,215
Total current assets	521,559	504,084
Property and equipment, net	186,546	182,839
Investments	11,599	10,232
Goodwill	15,037	15,011
Other long-term assets	15,322	16,617
Total assets	\$ 750,063	\$ 728,783
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	\$ 48,492	\$ 46,210
Accrued product warranty	12,553	11,052
Customer deposits	40,445	44,224
Accrued payroll and related liabilities	17,388	16,590
Accrued loss reserves	3,611	3,221
Other current liabilities	21,086	24,245
Total current liabilities	143,575	145,542
Deferred income tax liabilities	14,084	15,170
Other long-term liabilities	18,819	17,330
Total liabilities	176,478	178,042
Shareholders' equity	570,169	549,097
Non-controlling interest	3,416	1,644
Total equity	573,585	550,741
Total liabilities and equity	\$ 750,063	\$ 728,783

See Notes to Unaudited Condensed Consolidated Financial Statements

Astec Industries, Inc.
Condensed Consolidated Statements of Income
(in thousands, except per share data)
(unaudited)

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2013	2012	2013	2012
Net sales	\$213,177	\$218,391	\$709,136	\$708,633
Cost of sales	167,390	171,094	549,341	548,993
Gross profit	45,787	47,297	159,795	159,640
Selling, general, administrative and engineering expenses	36,635	38,411	114,797	117,010
Income from operations	9,152	8,886	44,998	42,630
Interest expense	269	152	417	240
Other income, net of expenses	1,100	836	1,885	2,305
Income from continuing operations before income taxes	9,983	9,570	46,466	44,695
Income taxes on continuing operations	3,456	2,937	15,536	16,028
Net income from continuing operations	6,527	6,633	30,930	28,667
Income from discontinued operations, net of tax	-	318	-	1,400
Net income	6,527	6,951	30,930	30,067