

Titan Machinery Inc.  
Form 10-Q  
September 09, 2015  
Table of Contents

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 July 31, 2015

Commission File No. 001-33866

TITAN MACHINERY INC.  
(Exact name of registrant as specified in its charter)

Delaware  
(State or Other Jurisdiction of  
Incorporation or Organization)

No. 45-0357838  
(IRS Employer  
Identification No.)

644 East Beaton Drive  
West Fargo, ND 58078-2648  
(Address of Principal Executive Offices)

Registrant's telephone number (701) 356-0130

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.

Large accelerated filer

Accelerated filer

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

Smaller reporting company

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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 outstanding of the registrant's common stock as of August 31, 2015 was: Common Stock, \$0.00001 par value, 21,573,553 shares.

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Table of Contents

TITAN MACHINERY INC.  
 QUARTERLY REPORT ON FORM 10-Q

Table of Contents

	Page No.
PART I. FINANCIAL INFORMATION	<u>3</u>
ITEM 1. FINANCIAL STATEMENTS	<u>3</u>
Consolidated Balance Sheets as of July 31, 2015 and January 31, 2015	<u>3</u>
Consolidated Statements of Operations for the three and six months ended July 31, 2015 and 2014	<u>4</u>
Consolidated Statements of Comprehensive Income for the three and six months ended July 31, 2015 and 2014	<u>5</u>
Consolidated Statements of Stockholders' Equity for the six months ended July 31, 2015 and 2014	<u>6</u>
Consolidated Statements of Cash Flows for the six months ended July 31, 2015 and 2014	<u>7</u>
Notes to Consolidated Financial Statements	<u>8</u>
ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS	<u>19</u>
ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	<u>33</u>
ITEM 4. CONTROLS AND PROCEDURES	<u>33</u>
PART II. OTHER INFORMATION	<u>34</u>
ITEM 1. LEGAL PROCEEDINGS	<u>34</u>
ITEM 1A. RISK FACTORS	<u>34</u>
ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS	<u>34</u>
ITEM 3. DEFAULTS UPON SENIOR SECURITIES	<u>34</u>
ITEM 4. MINE SAFETY DISCLOSURES	<u>34</u>
ITEM 5. OTHER INFORMATION	<u>34</u>
ITEM 6. EXHIBITS	<u>35</u>
Signatures	<u>36</u>
Exhibit Index	<u>37</u>

Table of Contents

## PART I. — FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## TITAN MACHINERY INC.

## CONSOLIDATED BALANCE SHEETS

(in thousands, except per share data)

	July 31, 2015 (Unaudited)	January 31, 2015
Assets		
Current Assets		
Cash	\$95,416	\$127,528
Receivables (net of allowance of \$4,054 and \$4,218 as of July 31, 2015 and January 31, 2015, respectively)	70,797	76,382
Inventories	877,823	879,440
Prepaid expenses and other	5,353	10,634
Income taxes receivable	3,834	166
Deferred income taxes	18,297	19,025
Assets held for sale	11,246	15,312
Total current assets	1,082,766	1,128,487
Intangibles and Other Assets		
Intangible assets, net of accumulated amortization	5,272	5,458
Other	6,490	7,122
Total intangibles and other assets	11,762	12,580
Property and Equipment, net of accumulated depreciation	186,000	208,680
Total Assets	\$1,280,528	\$1,349,747
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	\$18,358	\$17,659
Floorplan payable	619,636	627,249
Current maturities of long-term debt	6,365	7,749
Customer deposits	15,442	35,090
Accrued expenses	30,062	35,496
Income taxes payable	—	3,529
Liabilities held for sale	2,531	2,835
Total current liabilities	692,394	729,607
Long-Term Liabilities		
Senior convertible notes	134,170	132,350
Long-term debt, less current maturities	41,629	67,123
Deferred income taxes	39,433	38,996
Other long-term liabilities	3,289	3,312
Total long-term liabilities	218,521	241,781
Commitments and Contingencies		
Stockholders' Equity		
Common stock, par value \$.00001 per share, 45,000 shares authorized; 21,574 shares issued and outstanding at July 31, 2015; 21,406 shares issued and outstanding at January 31, 2015	—	—

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Additional paid-in-capital	241,158	240,180
Retained earnings	131,120	137,418
Accumulated other comprehensive loss	(3,492	) (1,099
Total Titan Machinery Inc. stockholders' equity	368,786	376,499
Noncontrolling interest	827	1,860
Total stockholders' equity	369,613	378,359
Total Liabilities and Stockholders' Equity	\$1,280,528	\$1,349,747
See Notes to Consolidated Financial Statements		

3

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Table of Contents

## TITAN MACHINERY INC.

## CONSOLIDATED STATEMENTS OF OPERATIONS (UNAUDITED)

(in thousands, except per share data)

	Three Months Ended July 31,		Six Months Ended July 31,	
	2015	2014	2015	2014
Revenue				
Equipment	\$221,016	\$320,087	\$465,999	\$665,132
Parts	62,081	70,526	123,601	138,905
Service	32,842	38,447	65,744	75,531
Rental and other	18,251	21,930	32,042	36,885
Total Revenue	334,190	450,990	687,386	916,453
Cost of Revenue				
Equipment	203,152	292,879	430,185	609,161
Parts	43,382	49,730	86,953	97,744
Service	12,327	13,529	23,687	27,932
Rental and other	13,260	15,199	24,057	26,024
Total Cost of Revenue	272,121	371,337		