

HARSCO CORP
Form 10-Q
May 04, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 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 March 31, 2016

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 001-03970

HARSCO CORPORATION

(Exact name of registrant as specified in its charter)

Delaware 23-1483991
(State or other jurisdiction of incorporation or organization) (I.R.S. employer identification number)

350 Poplar Church Road, Camp Hill, Pennsylvania 17011
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code 717-763-7064

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 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 Smaller reporting company
(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

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

Class Outstanding at April 29, 2016
Common stock, par value \$1.25 per share 80,097,958

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PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

HARSCO CORPORATION

CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

(In thousands)	March 31 2016	December 31 2015
ASSETS		
Current assets:		
Cash and cash equivalents	\$70,405	\$79,756
Trade accounts receivable, net	252,660	254,877
Other receivables	19,458	30,395
Inventories	233,335	216,967
Other current assets	75,537	82,527
Total current assets	651,395	664,522
Investments	230,003	252,609
Property, plant and equipment, net	555,786	564,035
Goodwill	402,659	400,367
Intangible assets, net	50,573	53,043
Other assets	115,116	126,621
Total assets	\$2,005,532	\$2,061,197
LIABILITIES		
Current liabilities:		
Short-term borrowings	\$61,314	\$30,229
Current maturities of long-term debt	28,238	25,084
Accounts payable	119,616	136,018
Accrued compensation	36,122	38,899
Income taxes payable	4,919	4,408
Dividends payable	—	4,105
Insurance liabilities	12,181	11,420
Advances on contracts	101,974	107,250
Due to unconsolidated affiliate	7,694	7,733
Unit adjustment liability	5,841	22,320
Other current liabilities	126,552	118,657
Total current liabilities	504,451	506,123
Long-term debt	798,478	845,621
Deferred income taxes	13,825	12,095
Insurance liabilities	29,874	30,400
Retirement plan liabilities	225,340	241,972
Due to unconsolidated affiliate	13,906	13,674
Unit adjustment liability	56,861	57,614
Other liabilities	40,464	42,895
Total liabilities	1,683,199	1,750,394
COMMITMENTS AND CONTINGENCIES		
HARSCO CORPORATION STOCKHOLDERS' EQUITY		
Preferred stock	—	—
Common stock	140,503	140,503
Additional paid-in capital	172,174	170,699

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Accumulated other comprehensive loss	(496,312)	(515,688)
Retained earnings	1,225,486	1,236,355
Treasury stock	(760,299)	(760,299)
Total Harsco Corporation stockholders' equity	281,552	271,570
Noncontrolling interests	40,781	39,233
Total equity	322,333	310,803
Total liabilities and equity	\$2,005,532	\$2,061,197

See accompanying notes to unaudited condensed consolidated financial statements.

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HARSCO CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF
OPERATIONS (Unaudited)

	Three Months Ended March 31	
(In thousands, except per share amounts)	2016	2015
Revenues from continuing operations:		
Service revenues	\$225,494	\$