

ASTEC INDUSTRIES INC  
Form 10-Q  
November 03, 2015  
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, 2015  
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 62-0873631  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

1725 Shepherd Road, 37421  
Chattanooga, Tennessee  
(Address of principal executive (Zip Code)  
offices)

(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

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 25, 2015
Common Stock, par value \$0.20	22,987,338

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## PART I -- FINANCIAL INFORMATION

Item 1. Financial Statements

Astec Industries, Inc.

Condensed Consolidated Balance Sheets

(in thousands)

(unaudited)

	September 30, 2015	December 31, 2014
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 13,985	\$ 13,023
Investments	1,834	1,916
Trade receivables	103,629	105,743
Other receivables	1,597	1,558
Inventories	384,531	387,835
Prepaid expenses and other	34,161	28,299
Deferred income tax assets	16,237	14,817
Total current assets	555,974	553,191
Property and equipment, net	170,508	187,610
Investments	11,814	11,393
Goodwill	31,280	31,995
Other long-term assets	17,711	21,276
Total assets	\$ 787,287	\$ 805,465
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Short-term debt and current maturities of long-term debt	\$ 4,819	\$ 3,841
Accounts payable	46,406	60,987
Income taxes payable	881	2,418
Accrued product warranty	10,064	10,032
Customer deposits	32,563	45,086
Accrued payroll and related liabilities	19,893	17,265
Accrued loss reserves	3,037	3,050
Other current liabilities	20,311	18,450
Total current liabilities	137,974	161,129
Long-term debt	4,394	7,061
Deferred income tax liabilities	13,194	16,836
Other long-term liabilities	19,331	21,087
Total liabilities	174,893	206,113
Shareholders' equity	610,392	595,166
Non-controlling interest	2,002	4,186
Total equity	612,394	599,352
Total liabilities and equity	\$ 787,287	\$ 805,465

See Notes to Unaudited Condensed Consolidated Financial Statements

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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,	
	2015	2014	2015	2014
Net sales	\$211,350	\$220,157	\$768,141	\$736,086
Cost of sales	166,212	176,896	594,724	573,890
Gross profit	45,138	43,261	173,417	162,196
Selling, general, administrative and engineering expenses	41,023	38,867	128,136	122,539
Income from operations	4,115	4,394	45,281	39,657
Interest expense	505	193	1,222	375
Other income, net of expenses	510	710	2,543	2,254
Income from operations before income taxes	4,120	4,911	46,602	41,536
Income taxes	2,162	3,145	18,070	15,734
Net income	1,958	1,766	28,532	25,802
Net loss attributable to non-controlling interest	(334 )	(150 )	(669 )	(156 )
Net income attributable to controlling interest	\$2,292	\$1,916	\$29,201	\$25,958
Earnings per common share				
Net income attributable to controlling interest:				
Basic	\$0.10	\$0.08	\$1.27	\$1.14
Diluted	\$0.10	\$0.08	\$1.26	\$1.12
Weighted average number of common shares outstanding:				
Basic	22,943			