

RYDER SYSTEM INC
Form 10-Q
April 24, 2012

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, 2012
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: 1-4364

RYDER SYSTEM, INC.
(Exact name of registrant as specified in its charter)

Florida 59-0739250
(State or other jurisdiction of incorporation or (I.R.S. Employer Identification No.)
organization)

11690 N.W. 105th Street
Miami, Florida 33178 (305) 500-3726
(Address of principal executive offices, including zip code)(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 Website, 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 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

The number of shares of Ryder System, Inc. Common Stock (\$0.50 par value per share) outstanding at March 31, 2012 was 51,273,569.

RYDER SYSTEM, INC.
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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS

RYDER SYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)

	Three months ended March 31,	
	2012	2011
	(In thousands, except per share amounts)	
Lease and rental revenues	\$637,858	579,415
Services revenue	678,352	632,738
Fuel services revenue	220,066	213,223
Total revenues	1,536,276	1,425,376
Cost of lease and rental	455,630	408,515
Cost of services	577,948	537,857
Cost of fuel services	215,573	208,960
Other operating expenses	34,249	34,629
Selling, general and administrative expenses	196,019	173,109
Gains on vehicle sales, net	(21,991)	(12,349)
Interest expense	34,765	34,419
Miscellaneous income, net	(4,480)	(4,142)
Restructuring and other charges, net	865	768
	1,488,578	1,381,766
Earnings from continuing operations before income taxes	47,698	43,610
Provision for income taxes	12,822	17,753
Earnings from continuing operations	34,876	25,857
Loss from discontinued operations, net of tax	(555)	(732)
Net earnings	\$34,321	25,125
Earnings (loss) per common share — Basic		
Continuing operations	\$0.68	0.50
Discontinued operations	(0.01)	(0.01)
Net earnings	\$0.67	0.49
Earnings (loss) per common share — Diluted		
Continuing operations	\$0.68	0.50
Discontinued operations	(0.01)	(0.02)
Net earnings	\$0.67	0.48
Comprehensive income	\$61,812	52,424
Cash dividends declared per common share	\$0.29	0.27

See accompanying notes to consolidated condensed financial statements.

RYDER SYSTEM, INC. AND SUBSIDIARIES
CONSOLIDATED CONDENSED BALANCE SHEETS
(unaudited)

	March 31, 2012	December 31, 2011
	(Dollars in thousands, except per share amount)	
Assets:		
Current assets:		
Cash and cash equivalents	\$113,621	104,572
Receivables, net	789,256	754,644
Inventories	67,283	65,912
Prepaid expenses and other current assets	152,181	163,045
Total current assets	1,122,341	1,088,173
Revenue earning equipment, net of accumulated depreciation of \$3,523,771 and \$3,462,359, respectively	5,529,793	5,049,671
Operating property and equipment, net of accumulated depreciation of \$929,173 and \$911,717, respectively	625,504	624,180
Goodwill	377,829	377,306
Intangible assets	83,126	84,820
Direct financing leases and other assets	410,049	393,685
Total assets	\$8,148,642	7,617,835
Liabilities and shareholders' equity:		
Current liabilities:		
Short-term debt and current portion of long-term debt	\$586,872	274,366
Accounts payable	720,599	391,827
Accrued expenses and other current liabilities	454,277	507,630
Total current liabilities	1,761,748	1,173,823
Long-term debt	3,006,302	3,107,779
Other non-current liabilities	891,283	896,587
Deferred income taxes	1,117,929	1,121,493
Total liabilities	6,777,262	6,299,682
Shareholders' equity:		
Preferred stock of no par value per share — authorized, 3,800,917; none outstanding, March 31, 2012 or December 31, 2011	—	—
Common stock of \$0.50 par value per share — authorized, 400,000,000; outstanding, March 31, 2012 — 51,273,569; December 31, 2011 — 51,143,946	25,637	25,572
Additional paid-in capital	784,108	