

FOSTER L B CO
Form 10-Q
August 04, 2017
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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 June 30, 2017

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: 000-10436

L.B. Foster Company

(Exact name of Registrant as specified in its charter)

Pennsylvania 25-1324733
(State of Incorporation) (I. R. S. Employer
Identification No.)

415 Holiday Drive, Pittsburgh, Pennsylvania 15220
(Address of principal executive offices) (Zip Code)
(412) 928-3400

(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 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 (section 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, smaller reporting company, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth 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
Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by checkmark 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 as of July 31, 2017
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Common Stock, Par Value \$0.01 10,342,346 Shares

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Part I. FINANCIAL INFORMATION

Item 1. Financial Statements

L.B. FOSTER COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share data)

	June 30, 2017	December 31, 2016
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 35,457	\$ 30,363
Accounts receivable - net	77,041	66,632
Inventories - net	84,588	83,243
Prepaid income tax	1,150	14,166
Other current assets	6,648	5,200
Total current assets	204,884	199,604
Property, plant, and equipment - net	101,553	103,973
Other assets:		
Goodwill	19,431	18,932
Other intangibles - net	60,611	63,519
Investments	3,976	4,031
Other assets	2,555	2,964
Total assets	\$ 393,010	\$ 393,023
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 57,161	\$ 37,744
Deferred revenue	5,830	7,597
Accrued payroll and employee benefits	8,444	7,497
Accrued warranty	9,168	10,154
Current maturities of long-term debt	10,051	10,386
Other accrued liabilities	8,823	8,953
Total current liabilities	99,477	82,331
Long-term debt	127,933	149,179
Deferred tax liabilities	11,187	11,371
Other long-term liabilities	16,911	16,891
Stockholders' equity:		
Common stock, par value \$0.01, authorized 20,000,000 shares; shares issued at June 30, 2017 and December 31, 2016, 11,115,779; shares outstanding at June 30, 2017 and December 31, 2016, 10,342,346 and 10,312,625, respectively	111	111
Paid-in capital	43,952	44,098
Retained earnings	134,270	133,667
Treasury stock - at cost, common stock, shares at June 30, 2017 and December 31, 2016, 773,433 and 803,154, respectively	(18,678)	(19,336)
Accumulated other comprehensive loss	(22,153)	(25,289)
Total stockholders' equity	137,502	133,251
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 393,010	\$ 393,023

The accompanying notes are an integral part of these Condensed Consolidated Financial Statements.

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L.B. FOSTER COMPANY AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
	(Unaudited)		(Unaudited)	
Sales of goods	\$117,727	\$118,070	\$215,356	\$225,985
Sales of services	27,133	17,924	48,206	36,319
Total net sales	144,860	135,994	263,562	262,304
Cost of goods sold	94,291	92,638	173,692	179,031
Cost of services sold	22,833	15,543	40,882	31,500
Total cost of sales	117,124	108,181	214,574	210,531
Gross profit	27,736	27,813		