

ALLEGHENY TECHNOLOGIES INC  
Form 10-Q  
May 05, 2014  
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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, 2014

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 1-12001

ALLEGHENY TECHNOLOGIES INCORPORATED  
(Exact name of registrant as specified in its charter)

Delaware 25-1792394  
(State or other jurisdiction of (I.R.S. Employer  
incorporation or organization) Identification No.)

1000 Six PPG Place 15222-5479  
Pittsburgh, Pennsylvania (Zip Code)  
(Address of Principal Executive Offices)  
(412) 394-2800  
(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 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  (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

At April 28, 2014, the registrant had outstanding 108,573,206 shares of its Common Stock.

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## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

Allegheny Technologies Incorporated and Subsidiaries

Consolidated Balance Sheets

(In millions, except share and per share amounts)

(Current period unaudited)

	March 31, 2014	December 31, 2013
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$837.7	\$1,026.8
Accounts receivable, net of allowances for doubtful accounts of \$5.1 and \$5.3 as of March 31, 2014 and December 31, 2013, respectively	557.5	528.2
Inventories, net	1,408.5	1,322.1
Prepaid expenses and other current assets	86.9	67.6
Current assets of discontinued operations	5.1	6.1
Total Current Assets	2,895.7	2,950.8
Property, plant and equipment, net	2,889.3	2,874.1
Cost in excess of net assets acquired	775.5	727.9
Other assets	353.6	342.0
Non-current assets of discontinued operations	3.4	3.7
Total Assets	\$6,917.5	\$6,898.5
<b>LIABILITIES AND EQUITY</b>		
Current Liabilities:		
Accounts payable	\$518.2	\$471.8
Accrued liabilities	294.9	310.9
Deferred income taxes	15.7	3.5
Short term debt and current portion of long-term debt	420.0	419.9
Current liabilities of discontinued operations	4.9	4.9
Total Current Liabilities	1,253.7	1,211.0
Long-term debt	1,526.8	1,527.4
Accrued postretirement benefits	432.7	442.4
Pension liabilities	361.8	368.2
Deferred income taxes	214.6	206.6
Other long-term liabilities	148.6	148.2
Total Liabilities	3,938.2	3,903.8
Redeemable noncontrolling interest	12.2	—
Equity:		
ATI Stockholders' Equity:		
Preferred stock, par value \$0.10: authorized-50,000,000 shares; issued-none	—	—
Common stock, par value \$0.10: authorized-500,000,000 shares; issued-109,695,171 shares at March 31, 2014 and December 31, 2013; outstanding- 108,567,959 shares at 11.0 March 31, 2014 and 107,983,360 shares at December 31, 2013		11.0
Additional paid-in capital	1,160.2	1,185.9
Retained earnings	2,440.7	2,490.1
Treasury stock: 1,127,212 shares at March 31, 2014 and 1,711,811 shares at December 31, 2013	(51.3	) (79.6
Accumulated other comprehensive loss, net of tax	(694.3	) (713.2
Total ATI stockholders' equity	2,866.3	2,894.2

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Noncontrolling interests	100.8	100.5
Total Equity	2,967.1	2,994.7
Total Liabilities and Equity	\$6,917.5	\$6,898.5

The accompanying notes are an integral part of these statements.

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Allegheny Technologies Incorporated and Subsidiaries  
 Consolidated Statements of Operations  
 (In millions, except per share amounts)  
 (Unaudited)

	Three months ended March 31,	
	2014	2013
Sales	\$987.3	\$1,099.0
Costs and expenses:		
Cost of sales	917.1	998.5
Selling and administrative expenses	67.7	72.4
Income before interest, other income and income taxes	2.5	28.1
Interest expense, net	(29.1	) (14.4
Other income, net	0.6	1.1
Income (loss) from continuing operations before income tax provision (benefit)	(26.0	) 14.8
Income tax provision (benefit)	(10.0	) 3.5
Income (loss) from continuing operations	(16.0	) 11.3
Income (loss) from discontinued operations, net of tax	(1.9	) 0.3
Net income (loss)	(17.9	) 11.6
Less: Net income attributable to noncontrolling interests	2.1	1.6
Net income (loss) attributable to ATI	\$(20.0	) \$10.0
Income (loss) per common share:		
Basic		
Continuing operations attributable to ATI per common share	\$(0.17	) \$0.09
Discontinued operations attributable to ATI per common share	(0.02	) —