

NUCOR CORP
Form 10-Q
November 12, 2014
[Table of Contents](#)

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 October 4, 2014

Commission file number 1-4119

NUCOR CORPORATION

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	13-1860817 (I.R.S. Employer Identification No.)
1915 Rexford Road, Charlotte, North Carolina (Address of principal executive offices)	28211 (Zip Code)
(704) 366-7000 (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):

Edgar Filing: NUCOR CORP - Form 10-Q

Large accelerated filer

Accelerated filer

Non-accelerated filer

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

318,999,937 shares of common stock were outstanding at October 4, 2014.

Table of Contents

Nucor Corporation

Form 10-Q

October 4, 2014

INDEX

	Page
Part I	
<u>Financial Information</u>	
Item 1	
<u>Financial Statements (Unaudited)</u>	
<u>Condensed Consolidated Statements of Earnings -</u>	
<u>Three Months (13 Weeks) and Nine Months (39 Weeks) Ended October 4, 2014 and September 28, 2013</u>	3
<u>Condensed Consolidated Statements of Comprehensive Income -</u>	
<u>Three Months (13 Weeks) and Nine Months (39 Weeks) Ended October 4, 2014 and September 28, 2013</u>	4
<u>Condensed Consolidated Balance Sheets -</u>	
<u>October 4, 2014 and December 31, 2013</u>	5
<u>Condensed Consolidated Statements of Cash Flows -</u>	
<u>Nine Months (39 Weeks) Ended October 4, 2014 and September 28, 2013</u>	6
<u>Notes to Condensed Consolidated Financial Statements</u>	7
Item 2	
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	23
Item 3	
<u>Quantitative and Qualitative Disclosures About Market Risk</u>	32
Item 4	
<u>Controls and Procedures</u>	34
Part II	
<u>Other Information</u>	
Item 1	
<u>Legal Proceedings</u>	34
Item 1A	
<u>Risk Factors</u>	34
Item 6	
<u>Exhibits</u>	35
<u>Signatures</u>	35
<u>List of Exhibits to Form 10-Q</u>	36

Table of Contents**PART I. FINANCIAL INFORMATION****Item 1. Financial Statements****Nucor Corporation Condensed Consolidated Statements of Earnings (Unaudited)**

(In thousands, except per share amounts)

	Three Months (13 Weeks) Ended		Nine Months (39 Weeks) Ended	
	Oct. 4, 2014	Sept. 28, 2013	Oct. 4, 2014	Sept. 28, 2013
Net sales	\$ 5,701,869	\$ 4,940,936	\$ 16,101,388	\$ 14,157,296
Costs, expenses and other:				
Cost of products sold	5,102,283	4,532,393	14,708,733	13,132,412
Marketing, administrative and other expenses	152,604	125,126	418,851	364,501
Equity in earnings of unconsolidated affiliates	(2,352)	(2,252)	(10,028)	(2,665)
Interest expense, net	45,349	37,467	130,481	109,186
	5,297,884	4,692,734	15,248,037	13,603,434
Earnings before income taxes and noncontrolling interests	403,985	248,202	853,351	553,862
Provision for income taxes	129,784	70,087	282,519	158,749
Net earnings	274,201	178,115	570,832	395,113
Earnings attributable to noncontrolling interests	28,754	30,518	67,313	77,582
Net earnings attributable to Nucor stockholders	\$ 245,447	\$ 147,597	\$ 503,519	\$ 317,531
Net earnings per share:				
Basic	\$ 0.76	\$ 0.46	\$ 1.57	\$ 0.99
Diluted	\$ 0.76	\$ 0.46	\$ 1.57	\$ 0.99
Average shares outstanding:				
Basic	320,023	319,341	319,737	318,979
Diluted	320,337	319,526	320,025	319,132
Dividends declared per share	\$ 0.37	\$ 0.3675	\$ 1.11	\$ 1.1025

See notes to condensed consolidated financial statements.

Table of Contents**Nucor Corporation Condensed Consolidated Statements of Comprehensive Income (Unaudited)**

(In thousands)

	Three Months (13 Weeks) Ended		Nine Months (39 Weeks) Ended	
	Oct. 4, 2014	Sept. 28, 2013	Oct. 4, 2014	Sept. 28, 2013
Net earnings	\$ 274,201	\$ 178,115	\$ 570,832	\$ 395,113
Other comprehensive income (loss):				
Net unrealized gain (loss) on hedging derivatives, net of income taxes of \$100 and \$0 for the third quarter of 2014 and 2013, respectively, and (\$900) and \$0 for the first nine months of 2014 and 2013, respectively	103		(1,530)	
Reclassification adjustment for loss on settlement of hedging derivatives included in net income, net of income taxes of \$100 and \$0 for the third quarter of 2014 and 2013, respectively, and \$200 and \$0 for the first nine months of 2014 and 2013, respectively	197		430	
Foreign currency translation (loss) gain, net of income taxes of \$0 and \$500 for the third quarter of 2014 and 2013, respectively, and (\$400) and \$300 for the first nine months of 2014 and 2013, respectively	(81,689)	31,879	(93,321)	(34,216)
	(81,389)	31,879	(94,421)	(34,216)
Comprehensive income	192,812	209,994	476,411	360,897
Comprehensive income attributable to noncontrolling interests	(28,754)	(30,518)	(67,313)	(77,582)
Comprehensive income attributable to Nucor stockholders	\$ 164,058	\$ 179,476	\$ 409,098	\$ 283,315

See notes to condensed consolidated financial statements.

Table of Contents**Nucor Corporation Condensed Consolidated Balance Sheets (Unaudited)**

(In thousands)

	Oct. 4, 2014	Dec. 31, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,295,945	\$ 1,483,252
Short-term investments	100,000	28,191
Accounts receivable, net	2,243,908	1,810,987
Inventories, net	2,683,235	2,605,609
Other current assets	473,156	482,007
Total current assets	6,796,244	6,410,046
Property, plant and equipment, net	4,884,010	4,917,024
Goodwill	1,982,776	1,973,608
Other intangible assets, net	819,078	874,154
Other assets	1,011,486	1,028,451
Total assets	\$ 15,493,594	\$ 15,203,283
LIABILITIES		
Current liabilities:		
Short-term debt	\$ 41,101	\$ 29,202
Long-term debt due within one year	16,300	3,300
Accounts payable	1,113,284	1,117,078
Federal income taxes payable	65,096	
Salaries, wages and related accruals	341,875	282,860
Accrued expenses and other current liabilities	578,840	527,776
Total current liabilities	2,156,496	1,960,216
Long-term debt due after one year	4,360,600	4,376,900
Deferred credits and other liabilities	960,795	955,889
Total liabilities	7,477,891	7,293,005
EQUITY		
Nucor stockholders' equity:		
Common stock	151,227	151,010
Additional paid-in capital	1,876,728	1,843,353
Retained earnings	7,287,500	7,140,440
Accumulated other comprehensive (loss) income, net of income taxes	(85,341)	9,080
Treasury stock	(1,494,832)	(1,498,114)
Total Nucor stockholders' equity	7,735,282	7,645,769
Noncontrolling interests	280,421	264,509
Total equity	8,015,703	7,910,278

Total liabilities and equity	\$ 15,493,594	\$ 15,203,283
-------------------------------------	----------------------	----------------------

See notes to condensed consolidated financial statements.

Table of Contents**Nucor Corporation Condensed Consolidated Statements of Cash Flows (Unaudited)**

(In thousands)

	Nine Months (39 Weeks) Ended	
	Oct. 4, 2014	Sept. 28, 2013
Operating activities:		
Net earnings	\$ 570,832	\$ 395,113
Adjustments:		
Depreciation	486,684	390,495
Amortization	54,127	56,051