

BRINKS CO  
Form 10-Q  
October 31, 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 September 30, 2014

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 001-09148

THE BRINK'S COMPANY  
(Exact name of registrant as specified in its  
charter)

Virginia  
(State or other jurisdiction of  
incorporation or organization)

54-1317776  
(I.R.S. Employer  
Identification No.)

1801 Bayberry Court, Richmond, Virginia 23226-8100  
(Address of principal executive offices) (Zip Code)

(804) 289-9600  
(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

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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 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 definition 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  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

As of October 28, 2014, 48,573,324 shares of \$1 par value common stock were outstanding.

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Part I - Financial Information  
Item 1. Financial Statements

THE BRINK'S COMPANY  
and subsidiaries

Consolidated Balance Sheets  
(Unaudited)

(In millions)	September 30, 2014	December 31, 2013
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$223.0	255.5
Accounts receivable, net	558.2	622.2
Prepaid expenses and other	137.2	153.0
Deferred income taxes	60.2	72.0
Total current assets	978.6	1,102.7
Property and equipment, net	687.7	758.7
Goodwill	229.0	240.2
Other intangibles	42.9	46.3
Deferred income taxes	232.4	251.7
Other	97.1	98.4
Total assets	\$2,267.7	2,498.0
<b>LIABILITIES AND EQUITY</b>		
Current liabilities:		
Short-term borrowings	\$59.4	80.9
Current maturities of long-term debt	33.8	24.6
Accounts payable	162.4	185.6
Accrued liabilities	509.0	507.5
Total current liabilities	764.6	798.6
Long-term debt	400.7	330.5
Accrued pension costs	100.4	214.8
Retirement benefits other than pensions	180.0	186.0
Deferred income taxes	14.0	18.0
Other	131.8	170.6
Total liabilities	1,591.5	1,718.5
Contingent liabilities (notes 3, 4, 11 and 12)		

Equity:		
The Brink's Company ("Brink's") shareholders:		
Common stock	48.6	48.4
Capital in excess of par value	583.5	566.4
Retained earnings	645.0	696.4
Accumulated other comprehensive loss	(645.1 )	(617.3 )
Brink's shareholders	632.0	693.9
Noncontrolling interests	44.2	85.6
Total equity	676.2	779.5
Total liabilities and equity	\$2,267.7	2,498.0

See accompanying notes to consolidated financial statements.

THE BRINK'S COMPANY  
and subsidiaries

Consolidated Statements of Income (Loss)  
(Unaudited)

(In millions, except for per share amounts)	Three Months		Nine Months	
	Ended September 30,		Ended September 30,	
	2014	2013	2014	2013
Revenues	\$ 913.1	982.4	2,806.2	2,902.8
Costs and expenses:				
Cost of revenues	770.9	783.2	2,321.1	2,368.1
Selling, general and administrative expenses	135.5	141.2	416.0	418.0
Total costs and expenses	906.4	924.4	2,737.1	2,786.1
Other operating income (expense)	40.8	1.2	(83.4)	(7.4)
Operating profit (loss)	47.5	59.2	(14.3)	109.3
Interest expense	(6.6)	(6.5)	(18.3)	(18.3)
Interest and other income (expense)	0.4	0.3	0.7	1.2
Income (loss) from continuing operations before tax	41.3	53.0	(31.9)	92.2
Provision (benefit) for income taxes	23.2	15.0	36.9	31.1
Income (loss) from continuing operations	18.1	38.0	(68.8)	61.1
Income (loss) from discontinued operations, net of tax	1.5	(6.0)	0.7	(30.0)
Net income (loss)	19.6	32.0	(68.1)	31.1
Less net income (loss) attributable to noncontrolling interests	(0.6)	8.2	(31.4)	15.2
Net income (loss) attributable to Brink's	20.2	23.8	(36.7)	15.9
Amounts attributable to Brink's				
Continuing operations	18.7	29.8	(37.4)	45.9
Discontinued operations	1.5	(6.0)	0.7	(30.0)
Net income (loss) attributable to Brink's	\$ 20.2	23.8	(36.7)	15.9
Earnings (loss) per share attributable to Brink's common shareholders(a)				
Basic:				
Continuing operations	\$ 0.38	0.61	(0.76)	0.94
Discontinued operations	0.03	(0.12)	0.01	(0.62)
Net income (loss)	0.41	0.49	(0.75)	0.33

Diluted:						
	Continuing operations	\$	0.38	0.61	(0.76)	0.94
	Discontinued operations		0.03	(0.12)	0.01	(0.61)
	Net income (loss)		0.41	0.49	(0.75)	0.32
Weighted-average shares						
	Basic		49.1	48.7	49.0	48.6
	Diluted		49.4	49.0	49.0	48.9
	Cash dividends paid per common share	\$	0.10	0.10	0.30	0.30

(a) Amounts may not add due to rounding

See accompanying notes to consolidated financial statements.

THE BRINK'S COMPANY  
and subsidiaries

Consolidated Statements of Comprehensive Income (Loss)  
(Unaudited)

(In millions)	Three Months		Nine Months	
	Ended September 30,		Ended September 30,	
	2014	2013	2014	2013
Net income (loss)	\$ 19.6	32.0	(68.1 )	31.1
Benefit plan adjustments:				
Benefit plan experience gains	9.4	13.6	29.0	49.0
Benefit plan prior service (costs) credits	(0.4 )	5.4	(1.3 )	6.7
Deferred profit sharing	(0.1 )	-	(0.1 )	-
Total benefit plan adjustments	8.9	19.0	27.6	55.7
Foreign currency translation adjustments	(50.4 )	8.2	(46.3 )	(23.9 )
Unrealized losses on available-for-sale securities	(0.3 )	0.3	(0.4 )	0.2
Gains (losses) on cash flow hedges	(0.1 )	0.3	(0.1 )	1.1
Other comprehensive income (loss) before tax	(41.9 )	27.8	(19.2 )	33.1
Provision for income taxes	3.3	6.9	10.3	19.8
Other comprehensive income (loss)	(45.2 )	20.9	(29.5 )	13.3
Comprehensive income (loss)	(25.6 )	52.9	(97.6 )	44.4
Less comprehensive income (loss) attributable to noncontrolling interests	(2.7 )	8.9	(33.1 )	14.1
Comprehensive income (loss) attributable to Brink's	\$ (22.9 )	44.0	(64.5 )	30.3

See accompanying notes to consolidated financial statements.

THE BRINK'S COMPANY  
and subsidiaries

Consolidated Statement of Equity

Nine Months ended September 30, 2014  
(Unaudited)

Attributable to Brink's

Capital

Accumulated Attributable