

PEABODY ENERGY CORP
Form 10-Q
November 09, 2015

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 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 September 30, 2015

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: 1-16463

PEABODY ENERGY CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or
organization)

13-4004153
(I.R.S. Employer Identification No.)

701 Market Street, St. Louis, Missouri
(Address of principal executive offices)
(314) 342-3400

63101-1826
(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 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.

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

There were 18.5 million shares of the registrant's common stock (par value of \$0.01 per share) outstanding at October 30, 2015.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

PEABODY ENERGY CORPORATION

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

| | Three Months Ended | | Nine Months Ended | |
|--|--|------------|-------------------|------------|
| | September 30, | | September 30, | |
| | 2015 | 2014 | 2015 | 2014 |
| | (Dollars in millions, except per share data) | | | |
| Revenues | | | | |
| Sales | \$1,277.4 | \$1,550.5 | \$3,922.9 | \$4,619.3 |
| Other revenues | 141.5 | 172.4 | 373.2 | 488.4 |
| Total revenues | 1,418.9 | 1,722.9 | 4,296.1 | 5,107.7 |
| Costs and expenses | | | | |
| Operating costs and expenses (exclusive of items shown separately below) | 1,254.0 | 1,453.3 | 3,774.4 | 4,315.7 |
| Depreciation, depletion and amortization | 136.0 | 163.6 | 430.6 | 483.9 |
| Asset retirement obligation expenses | 12.3 | 15.0 | 40.4 | 46.5 |
| Selling and administrative expenses | 37.8 | 52.9 | 128.8 | 171.6 |
| Restructuring charges | 1.8 | — | 23.0 | — |
| Other operating (income) loss: | | | | |
| Net gain on disposal of assets | (7.9 |) (13.9 |) (20.2 |) (25.9 |
| Asset impairment | — | — | 900.8 | — |
| Loss from equity affiliates | 5.3 | 15.8 | 12.3 | 44.0 |
| Operating (loss) profit | (20.4 |) 36.2 | (994.0 |) 71.9 |
| Interest expense | 118.5 | 114.5 | 344.0 | 321.4 |
| Loss on early debt extinguishment | — | — | 67.8 | 1.6 |
| Interest income | (1.4 |) (3.7 |) (6.6 |) (11.7 |
| Loss from continuing operations before income taxes | (137.5 |) (74.6 |) (1,399.2 |) (239.4 |
| Income tax provision (benefit) | 6.9 | 79.4 | (83.2 |) 30.9 |
| Loss from continuing operations, net of income taxes | (144.4 |) (154.0 |) (1,316.0 |) (270.3 |
| (Loss) income from discontinued operations, net of income taxes | (157.5 |) 5.0 | (202.7 |) 6.0 |
| Net loss | (301.9 |) (149.0 |) (1,518.7 |) (264.3 |
| Less: Net income attributable to noncontrolling interests | 2.8 | 1.6 | 7.9 | 8.1 |
| Net loss attributable to common stockholders | \$(304.7 |) \$(150.6 |) \$(1,526.6 |) \$(272.4 |

Loss from continuing operations: