

Western Union CO
Form 10-Q
November 06, 2012
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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, 2012

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: 001-32903

THE WESTERN UNION COMPANY
(Exact name of registrant as specified in its charter)

DELAWARE
(State or Other Jurisdiction of
Incorporation or Organization) 20-4531180
(I.R.S. Employer
Identification No.)

12500 EAST BELFORD AVENUE 80112
ENGLEWOOD, CO
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code (866) 405-5012

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):

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 31, 2012, 596,579,004 shares of our common stock were outstanding.

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FINANCIAL INFORMATION

Item 1. Financial Statements

THE WESTERN UNION COMPANY
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(Unaudited)

(in millions, except per share amounts)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2012	2011	2012	2011
Revenues:				
Transaction fees	\$1,052.5	\$1,083.2	\$3,152.8	\$3,138.2
Foreign exchange revenues	338.5	294.2	995.7	829.5
Other revenues	30.6	33.4	91.6	92.4
Total revenues	1,421.6	1,410.8	4,240.1	4,060.1
Expenses:				
Cost of services	796.3	800.0	2,376.8	2,309.6
Selling, general and administrative	259.7	247.8	819.3	723.9
Total expenses	1,056.0	1,047.8	3,196.1	3,033.5
Operating income	365.6	363.0	1,044.0	1,026.6
Other income/(expense):				
Interest income	1.4	1.1	4.1	3.6
Interest expense	(44.6)) (46.7)) (134.1)) (134.3)
Derivative gains/(losses), net	0.1) (5.3)) 1.0) (4.7)
Other income, net	1.3	1.8	9.0	30.8
Total other expense, net	(41.8)) (49.1)) (120.0)) (104.6)
Income before income taxes	323.8	313.9	924.0	922.0
Provision for income taxes	54.3	74.2	136.0	208.9
Net income	\$269.5	\$239.7	\$788.0	\$713.1
Earnings per share:				
Basic	\$0.45	\$0.38	\$1.29	\$1.12
Diluted	\$0.45	\$0.38	\$1.29	\$1.12
Weighted-average shares outstanding:				
Basic	601.5	624.9	610.5	634.3
Diluted	604.2	627.1	613.1	638.3
Cash dividends declared per common share	\$0.10	\$0.08	\$0.30	\$0.23

See Notes to Condensed Consolidated Financial Statements.

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THE WESTERN UNION COMPANY

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

(in millions)

Three Months Ended
September 30,
2012

Nine Months Ended
September 30,