

MRC GLOBAL INC.
Form 10-Q
August 03, 2016

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 JUNE 30, 2016

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: 001-35479

MRC Global Inc.
(Exact name of registrant as specified in its charter)

Delaware

20-5956993
(I.R.S. Employer)

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(State or Other Jurisdiction of Identification No.)
Incorporation or Organization)

Fulbright Tower

1301 McKinney Street, Suite 2300

Houston, Texas 77010
(Address of Principal Executive Offices) (Zip Code)

(877) 294-7574
(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):

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 [☒]

The Company's common stock is traded on the New York Stock Exchange under the symbol "MRC". There were 96,395,357 shares of the registrant's common stock (excluding 570,845 unvested restricted shares), par value \$0.01 per share, issued and outstanding as of July 22, 2016.

Table Of Contents

INDEX TO QUARTERLY REPORT ON FORM 10-Q

Page

PART I – FINANCIAL INFORMATION

ITEM 1	<u>financial statements (UNAUDITED)</u>	1
	<u>Condensed Consolidated Balance Sheets – June 30, 2016 and December 31, 2015</u>	1
	<u>Condensed Consolidated Statements of Operations – Three and six MONTHS ended June 30, 2016 AND June, 2015</u>	2
	<u>Condensed Consolidated Statements of cOMPREHENSIVE INCOME – three and six months ended June 30, 2016 and June 30, 2015</u>	3
	<u>Condensed CONSOLIDATED STATEMENTS OF cash flows – six MONTHS ENDEd june 30, 2016 and june 30, 2015</u>	4
	<u>Notes to the Condensed Consolidated Financial Statements – June 30, 2016</u>	5
ITEM 2.	<u>management’s discussion and analysis of financial condition and results of operations</u>	14
ITEM 3.	<u>quantitative and qualitative disclosures about market risk</u>	28
ITEM 4.	<u>controls and procedures</u>	28
PART II – OTHER INFORMATION		
ITEM 1.	<u>LEGAL PROCEEDINGS</u>	29
ITEM 1a.	<u>RISK FACTORS</u>	29
ITEM 2.	<u>UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS</u>	29
ITEM 3.	<u>Defaults Upon Senior Securities</u>	30
ITEM 4.	<u>MINING SAFETY DISCLOSURES</u>	30
ITEM 5.	<u>other information</u>	30
ITEM 6.	<u>Exhibits</u>	31

Table Of Contents

CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

MRC GLOBAL INC.

(in millions)

	June 30, 2016	December 31, 2015
Assets		
Current assets:		
Cash	\$ 167	\$ 69
Accounts receivable, net	430	533
Inventories, net	689	781
Other current assets	29	22
Total current assets	1,315	1,405
Other assets	21	22
Property, plant and equipment, net	131	127
Intangible assets:		
Goodwill, net	484	484
Other intangible assets, net	436	459
	\$ 2,387	\$ 2,497
Liabilities and stockholders' equity		
Current liabilities:		
Trade accounts payable	\$ 320	\$ 327
Accrued expenses and other current liabilities	104	110
Current portion of long-term debt	8	8
Total current liabilities	432	445
Long-term obligations:		
Long-term debt, net	508	511
Deferred income taxes	204	208
Other liabilities	23	22
Commitments and contingencies		
6.5% Series A Convertible Perpetual Preferred Stock, \$0.01 par value; authorized 363,000 shares; 363,000 shares issued and outstanding	355	355

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Stockholders' equity:

Common stock, \$0.01 par value per share: 500 million shares authorized, 102,488,749 and 102,202,599 issued, respectively	1	1
Additional paid-in capital	1,671	1,666
Retained deficit	(504)	(467)
Less: Treasury stock at cost: 6,094,663 and 816,389 shares, respectively	(83)	(12)
Accumulated other comprehensive loss		