

INTL FCSTONE INC.
Form 10-Q
August 07, 2013
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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, 2013

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 000-23554

INTL FCStone Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

708 Third Avenue, Suite 1500

New York, NY 10017

(Address of principal executive offices) (Zip Code)

(212) 485-3500

(Registrant's telephone number, including area code)

59-2921318

(I.R.S. Employer
Identification No.)

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 305 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 smaller reporting company.

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 August 5, 2013, there were 19,245,510 shares of the registrant's common stock outstanding.

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INTL FCStone Inc.

Quarterly Report on Form 10-Q for the Quarterly Period Ended June 30, 2013

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

INTL FCStone Inc.

Condensed Consolidated Balance Sheets

(in millions, except par value and share amounts)	June 30, 2013 (Unaudited)	September 30, 2012
ASSETS		
Cash and cash equivalents	\$219.3	\$ 236.3
Cash, securities and other assets segregated under federal and other regulations (including \$34.7 and \$72.8 at fair value at June 30, 2013 and September 30, 2012, respectively)	291.0	357.5
Deposits and receivables from:		
Exchange-clearing organizations (including \$1,305.9 and \$1,510.0 at fair value at June 30, 2013 and September 30, 2012, respectively)	1,654.7	1,619.8
Broker-dealers, clearing organizations and counterparties (including \$0.3 and \$(0.7) at fair value at June 30, 2013 and September 30, 2012, respectively)	164.3	127.4
Receivables from customers, net	170.5	68.9
Notes receivable, net	33.6	104.0
Income taxes receivable	14.9	11.9
Financial instruments owned, at fair value	172.9	171.7
Physical commodities inventory	58.6	131.6
Deferred income taxes, net	19.8	21.9
Property and equipment, net	18.2	18.9
Goodwill and intangible assets, net	56.1	54.7
Other assets	33.5	34.3
Total assets	\$2,907.4	\$ 2,958.9
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and other accrued liabilities (including \$16.1 and \$14.8 at fair value at June 30, 2013 and September 30, 2012, respectively)	\$126.7	\$ 127.0
Payables to:		
Customers	2,091.2	2,072.3
Broker-dealers, clearing organizations and counterparties	21.7	39.4
Lenders under loans	145.6	218.2
Income taxes payable	5.2	5.5
Financial instruments sold, not yet purchased, at fair value	183.0	175.4
Deferred income taxes	—	2.0
Total liabilities	2,573.4	2,639.8
Commitments and contingencies (Note 11)		
Stockholders' Equity:		
Preferred stock, \$0.01 par value. Authorized 1,000,000 shares; no shares issued or outstanding	—	—
Common stock, \$0.01 par value. Authorized 30,000,000 shares; 19,540,217 issued and 19,201,135 outstanding at June 30, 2013 and 19,214,219 issued and 18,984,951 outstanding at September 30, 2012	0.2	0.2
Common stock in treasury, at cost - 339,082 shares at June 30, 2013 and 229,064 shares at September 30, 2012, respectively	(6.1)	(4.1)
Additional paid-in capital	218.9	213.2

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Retained earnings	129.6	112.0
Accumulated other comprehensive loss, net	(8.6) (2.2
Total stockholders' equity	334.0	319.1
Total liabilities and stockholders' equity	\$2,907.4	\$ 2,958.9
See accompanying notes to condensed consolidated financial statements.		

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INTL FCStone Inc.
Condensed Consolidated Income Statements
(Unaudited)

	Three Months Ended June 30,		Nine Months Ended June 30,	
(in millions, except share and per share amounts)	2013	2012	2013	2012
Revenues:				
Sales of physical commodities	\$10,918.9	\$17,201.0	\$36,506.5	\$51,238.5
Trading gains, net	61.7	94.8	200.5	206.2
Commission and clearing fees	46.8	45.4	130.2	118.9
Consulting and management fees	9.4	7.1	25.4	20.6
Interest income	2.6	2.7	9.0	7.7
Other income	0.1	0.1	0.5	0.6
Total revenues	11,039.5	17,351.1	36,872.1	51,592.5
Cost of sales of physical commodities	10,917.4	17,227.3	36,507.0	51,252.8
Operating revenues	122.1			