

BRINKS CO
Form 10-Q
October 28, 2011

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, 2011

☐ 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 25, 2011, 46,830,971 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, 2011	December 31, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	\$200.5	183.0
Accounts receivable, net	550.6	525.1
Prepaid expenses and other	134.5	121.0
Deferred income taxes	56.4	48.3
Total current assets	942.0	877.4
Property and equipment, net	717.8	698.9
Goodwill	238.0	244.3
Other intangibles	69.7	83.2
Deferred income taxes	292.1	276.0
Other	84.0	90.7
Total assets	\$2,343.6	2,270.5
LIABILITIES AND EQUITY		
Current liabilities:		
Short-term borrowings	\$18.6	36.5
Current maturities of long-term debt	24.2	29.0
Accounts payable	133.6	141.5
Accrued liabilities	497.4	469.0
Total current liabilities	673.8	676.0
Long-term debt	358.6	323.7
Accrued pension costs	249.2	266.8
Retirement benefits other than pensions	217.0	218.6
Deferred income taxes	39.1	30.6
Other	180.9	171.7
Total liabilities	1,718.6	1,687.4
Commitments and contingent liabilities (notes 4, 5 and 11)		

Equity:

The Brink's Company ("Brink's") shareholders' equity:

Common stock	46.8	46.4
Capital in excess of par value	557.4	542.6
Retained earnings	578.4	537.5
Accumulated other comprehensive loss	(623.8)	(610.3)
Total Brink's shareholders' equity	558.8	516.2
Noncontrolling interests	66.2	66.9
Total equity	625.0	583.1
Total liabilities and equity	\$2,343.6	2,270.5

See accompanying notes to consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries

Consolidated Statements of Income
(Unaudited)

(In millions, except per share amounts)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2011	2010	2011	2010
Revenues	\$995.8	776.1	2,888.4	2,240.9
Costs and expenses:				
Cost of revenues	807.7	626.5	2,373.9	1,840.2
Selling, general and administrative expenses	136.6	107.6	400.3	310.2
Total costs and expenses	944.3	734.1	2,774.2	2,150.4
Other operating income (expense)	11.0	2.1	5.7	8.9
Operating profit	62.5	44.1	119.9	99.4
Interest expense	(6.5)	(4.2)	(18.2)	(9.0)
Interest and other income (expense)	1.3	0.6	6.8	2.7
Income from continuing operations before tax	57.3	40.5	108.5	93.1
Provision for income taxes	20.9	15.5	37.9	46.1
Income (loss) from continuing operations	36.4	25.0	70.6	47.0
Income (loss) from discontinued operations, net of tax	(0.7)	2.2	3.0	(0.4)
Net income	35.7	27.2	73.6	46.6
Less net income attributable to noncontrolling interests	(4.9)	(3.3)	(14.9)	(9.4)
Net income attributable to Brink's	\$30.8	23.9	58.7	37.2
Income (loss) attributable to Brink's:				
Continuing operations	\$31.5	21.7	55.7	37.6
Discontinued operations	(0.7)	2.2	3.0	(0.4)
Net income attributable to Brink's	\$30.8	23.9	58.7	37.2
Earnings (loss) per share attributable to Brink's common shareholders:				
Basic:				
Continuing operations	\$0.66	0.45	1.17	0.78
Discontinued operations	(0.02)	0.05	0.06	(0.01)
Net income	0.64	0.50	1.23	0.77
Diluted:				
Continuing operations	\$0.66	0.45	1.16	0.77

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Discontinued operations	(0.02)	0.05	0.06	(0.01)
Net income	0.64	0.50	1.22	0.76

Weighted-average shares

Basic	48.0	47.8	47.8	48.4
Diluted	48.1	47.9	48.1	48.7

Cash dividends paid per common share	\$0.10	0.10	0.30	0.30
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See accompanying notes to consolidated financial statements.

THE BRINK'S COMPANY
and subsidiaries

Consolidated Statement of Shareholders' Equity

Nine Months ended September 30, 2011
(Unaudited)

	Common	Attributable to Brink's		Accumulated Other Comprehensive	Attributable to Noncontrolling
		Capital in Excess of Par	Retained		
(In millions)					