

Commercial Vehicle Group, Inc.

Form 10-Q

May 03, 2013

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 10-Q**

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 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 001-34365

**COMMERCIAL VEHICLE GROUP, INC.**

(Exact name of Registrant as specified in its charter)

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**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**41-1990662**  
(I.R.S. Employer  
Identification No.)

**7800 Walton Parkway**

**New Albany, Ohio**  
(Address of principal executive offices)

**43054**  
(Zip Code)

**(614) 289-5360**

(Registrant's telephone number, including area code)

**Not Applicable**

(Former name, former address and former fiscal year, if changed since last report)

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, 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 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  (Do not check if a smaller reporting company) 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 number of shares outstanding of the Registrant's common stock, par value \$.01 per share, at March 31, 2013 was 29,365,754 shares.

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**COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES**

**QUARTERLY REPORT ON FORM 10-Q**

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Certification of CEO

Certification of CFO

CEO Certification Pursuant to Section 906

CFO Certification Pursuant to Section 906

**Table of Contents****ITEM 1 FINANCIAL STATEMENTS****COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES****CONDENSED CONSOLIDATED BALANCE SHEETS**

	March 31, 2013 (Unaudited) (In thousands, except share and per share amounts)	December 31, 2012 (Unaudited)
<b>Assets</b>		
Current Assets:		
Cash	\$ 65,275	\$ 68,369
Accounts receivable, net of allowances of \$2,982 and \$3,393, respectively	121,024	114,573
Inventories	86,122	88,481
Deferred income taxes	9,469	8,381
Other current assets	9,169	6,446
<b>Total current assets</b>	<b>291,059</b>	<b>286,250</b>
Property, plant and equipment, net of accumulated depreciation of \$119,056 and \$117,359, respectively	83,708	83,304
Goodwill	8,983	8,986
Intangible assets, net	22,646	23,001
Deferred income taxes	24,121	23,615
Other assets, net	14,564	14,509
<b>Total assets</b>	<b>\$ 445,081</b>	<b>\$ 439,665</b>
<b>Liabilities and Stockholders Equity</b>		
Current Liabilities:		
Accounts payable	\$ 65,698	\$ 58,063
Accrued liabilities and other	33,024	32,869
<b>Total current liabilities</b>	<b>98,722</b>	<b>90,932</b>
Long-term debt	250,000	250,000
Pension and other post-retirement benefits	26,664	28,273
Other long-term liabilities	6,134	4,152
<b>Total liabilities</b>	<b>381,520</b>	<b>373,357</b>
Commitments and Contingencies		
Stockholders Equity:		
Preferred stock, \$0.01 par value; 5,000,000 shares authorized, no shares issued and outstanding;		
common stock, \$0.01 par value per share; 60,000,000 shares authorized; 28,463,479 shares issued and outstanding, respectively	290	290
Treasury stock purchased from employees; 590,154 shares, respectively	(5,264)	(5,264)
Additional paid-in capital	225,045	223,822
Retained deficit	(129,291)	(124,677)
Accumulated other comprehensive loss	(27,239)	(27,885)
<b>Total CVG stockholders equity</b>	<b>63,541</b>	<b>66,286</b>

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Non-controlling interest	20	22
Total stockholders' equity	63,561	66,308
Total liabilities and stockholders' equity	\$ 445,081	\$ 439,665

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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**COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**

	<b>Three Months Ended March 31,</b>	
	<b>2013</b>	<b>2012</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>(In thousands, except per share amounts)</b>	
Revenues	\$ 177,822	\$ 236,990
Cost of Revenues	159,737	200,212
<b>Gross Profit</b>	<b>18,085</b>	<b>36,778</b>
Selling, General and Administrative Expenses	17,949	18,183
Amortization Expense	409	92
<b>Operating (Loss) Income</b>	<b>(273)</b>	<b>18,503</b>
Interest and Other Expense	5,354	5,307
(Loss) Income Before (Benefit) Provision for Income Taxes	(5,627)	13,196
(Benefit) Provision for Income Taxes	(1,011)	1,204
<b>Net (Loss) Income</b>	<b>(4,616)</b>	<b>11,992</b>
Less: Non-controlling interest in subsidiary's loss	(2)	(13)
<b>Net (Loss) Income Attributable to CVG Stockholders</b>	<b>\$ (4,614)</b>	<b>\$ 12,005</b>
<b>(Loss) Earnings per Common Share:</b>		
Basic	\$ (0.16)	\$ 0.43
Diluted	\$ (0.16)	\$ 0.42
<b>Weighted Average Shares Outstanding:</b>		
Basic	28,463	28,171
Diluted	28,463	28,373

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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**COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Three Months Ended March 31, 2013 (Unaudited)	2012 (Unaudited)
	(In thousands)	
Net (loss) income	\$ (4,616)	\$ 11,992
Other comprehensive income:		
Foreign currency translation adjustments	646	1,835
Other comprehensive income	646	1,835
Comprehensive (loss) income	\$ (3,970)	\$ 13,827
Less: Comprehensive loss attributed to noncontrolling interests	(2)	(13)
Comprehensive (loss) income attributable to CVG stockholders	\$ (3,968)	\$ 13,840

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

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**COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS EQUITY**

		Common Stock		Treasury	Additional	Retained	Accum. Other	Total	Non-	
		Shares	Amount	Stock	Paid-In	Deficit	Comp.	Stockholders	Controlling	Total
					Capital	(Unaudited)	Loss	Equity	Interest	
		(In thousands, except share data)								
Balance	December 31, 2012	28,463,479	\$ 290	\$ (5,264)	\$ 223,822	\$ (124,677)	\$ (27,885)	\$ 66,286	\$ 22	\$ 66,308
	Share-based compensation expense				1,223			1,223		1,223
	Comprehensive income:									
	Net loss					(4,614)		(4,614)	(2)	(4,616)
	Foreign currency translation adjustment						646	646		646
	Total comprehensive loss							(3,968)	(2)	(3,970)
Balance	March 31, 2013	28,463,479	\$ 290	\$ (5,264)	\$ 225,045	\$ (129,291)	\$ (27,239)	\$ 63,541	\$ 20	\$ 63,561

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.



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**COMMERCIAL VEHICLE GROUP, INC. AND SUBSIDIARIES**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

Three Months Ended March 31,	
2013	2012
(Unaudited)	(Unaudited)
(In thousands)	