

INTL FCSTONE INC.
Form 10-Q
August 06, 2015
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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, 2015

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 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 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

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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 3, 2015, there were 19,020,566 shares of the registrant's common stock outstanding.

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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, 2015 (Unaudited)	September 30, 2014
ASSETS		
Cash and cash equivalents	\$268.0	\$ 231.3
Cash, securities and other assets segregated under federal and other regulations (including \$511.8 and \$15.3 at fair value at June 30, 2015 and September 30, 2014, respectively)	865.0	448.0
Securities purchased under agreements to resell	341.3	—
Deposits and receivables from:		
Exchange-clearing organizations (including \$1,002.8 and \$1,255.4 at fair value at June 30, 2015 and September 30, 2014, respectively)	1,153.3	1,731.4
Broker-dealers, clearing organizations and counterparties (including \$(16.2) and \$(1.1) at fair value at June 30, 2015 and September 30, 2014, respectively)	144.3	123.0
Receivables from customers, net	130.8	55.6
Notes receivable, net	67.6	65.2
Income taxes receivable	11.7	10.8
Financial instruments owned, at fair value (includes securities pledged as collateral that can be sold or repledged of \$205.1 at June 30, 2015)	1,310.0	197.9
Physical commodities inventory (including precious metals of \$14.0 at fair value at June 30, 2015)	46.1	40.0
Deferred income taxes, net	26.4	32.0
Property and equipment, net	19.4	15.9
Goodwill and intangible assets, net	59.9	58.0
Other assets	43.0	30.6
Total assets	\$4,486.8	\$ 3,039.7
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts payable and other accrued liabilities (including \$3.3 and \$5.5 at fair value at June 30, 2015 and September 30, 2014, respectively)	\$115.7	\$ 114.1
Payables to:		
Customers	2,196.0	2,228.7
Broker-dealers, clearing organizations and counterparties	61.8	11.9
Lenders under loans	75.0	22.5
Senior unsecured notes	45.5	45.5
Income taxes payable	5.7	7.6
Payables under repurchase agreements	1,081.6	—
Financial instruments sold, not yet purchased, at fair value	523.1	264.0
Total liabilities	4,104.4	2,694.3
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; 20,177,924 issued and 19,010,442 outstanding at June 30, 2015 and 19,826,635 issued and 18,883,662	0.2	0.2

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outstanding at September 30, 2014

Common stock in treasury, at cost - 1,167,482 shares at June 30, 2015 and 942,973 shares at September 30, 2014, respectively	(22.0)	(17.5)
Additional paid-in capital	235.2		229.6	
Retained earnings	179.3		144.7	
Accumulated other comprehensive loss, net	(10.3)	(11.6)
Total stockholders' equity	382.4		345.4	
Total liabilities and stockholders' equity	\$4,486.8		\$ 3,039.7	

See accompanying notes to condensed consolidated financial statements.

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INTL FCStone Inc.
 Condensed Consolidated Income Statements
 (Unaudited)

(in millions, except share and per share amounts)	Three Months Ended June 30,		Nine Months Ended June 30,	
	2015	2014	2015	2014
Revenues:				
Sales of physical commodities	\$3,847.4	\$6,886.6	\$31,633.3	\$23,017.2
Trading gains, net	79.7	61.6	234.8	178.0
Commission and clearing fees	46.0	44.5	142.7	134.0
Consulting and management fees	11.3	10.1	31.0	31.6
Interest income	10.6	2.1	22.7	5.4
Other income	0.1	0.2	0.3	0.5
Total revenues	3,995.1	7,005.1	32,064.8	23,366.7
Cost of sales of physical commodities	3,843.5	6,886.9		