

HEARTLAND EXPRESS INC
Form 10-Q
November 09, 2016

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q
(Mark One)

QUARTERLY REPORT UNDER SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For quarter ended September 30, 2016

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 0-15087

HEARTLAND EXPRESS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Nevada	93-0926999
(State or Other Jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)

901 North Kansas Avenue, North Liberty, Iowa	52317
(Address of Principal Executive Offices)	(Zip Code)
319-626-3600	
(Registrant's telephone number, including area code)	

Registrant's telephone number, including area code (319) 626-3600

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, or 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:

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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 November 7, 2016 there were 83,286,391 shares of the Company's common stock (\$0.01 par value) outstanding.

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HEARTLAND EXPRESS, INC.
AND SUBSIDIARIES

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PART I
HEARTLAND EXPRESS, INC.
AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)
(unaudited)

ASSETS	September 30, 2016	December 31, 2015
CURRENT ASSETS		
Cash and cash equivalents	\$ 100,264	\$ 33,232
Trade receivables, net	51,704	61,009
Prepaid tires	8,747	9,584
Other current assets	9,395	8,316
Income tax receivable	6,555	7,641
Deferred income taxes, net	—	16,662
Total current assets	176,665	136,444
PROPERTY AND EQUIPMENT		
Land and land improvements	39,258	37,899
Buildings	48,372	47,837
Leasehold improvements	1,703	1,703
Furniture and fixtures	2,096	2,096
Shop and service equipment	10,918	10,917
Revenue equipment	577,393	571,281
Construction in progress	3	213
	679,743	671,946
Less accumulated depreciation	242,987	197,948
Property and equipment, net	436,756	473,998
GOODWILL	100,212	100,212
OTHER INTANGIBLES, NET	12,570	14,013
DEFERRED INCOME TAXES, NET	4,156	—
OTHER ASSETS	11,353	11,363
	\$ 741,712	\$ 736,030
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 16,755	\$ 7,516
Compensation and benefits	23,748	24,636
Insurance accruals	22,494	21,573
Other accruals	13,747	12,443
Total current liabilities	76,744	66,168
LONG-TERM LIABILITIES		
Income taxes payable	12,668	16,228
Deferred income taxes, net	93,933	112,118
Insurance accruals less current portion	60,104	59,435
Other long-term liabilities	4,000	12,153
Total long-term liabilities	170,705	199,934
COMMITMENTS AND CONTINGENCIES (Note 14)		
STOCKHOLDERS' EQUITY		
Preferred stock, par value \$.01; authorized 5,000 shares; none issued	—	—

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Capital stock, common, \$.01 par value; authorized 395,000 shares; issued 90,689 in 2016 and 2015; outstanding 83,287 in 2016 and 84,115 in 2015, respectively	907	907
Additional paid-in capital	3,323	4,126
Retained earnings	614,221	575,948
Treasury stock, at cost; 7,402 shares in 2016 and 6,574 in 2015, respectively	(124,188)	(111,053)
	494,263	469,928
	\$ 741,712	\$ 736,030

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

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HEARTLAND EXPRESS, INC.
AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME

(in thousands, except per share amounts)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2016	2015	2016	2015
OPERATING REVENUE	\$ 149,316	\$ 182,533	\$ 472,893	\$ 561,739
OPERATING EXPENSES				