

ManpowerGroup Inc.
Form 10-Q
April 30, 2014

FORM 10-Q

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended:

March 31, 2014

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: 1-10686

MANPOWERGROUP INC.

(Exact name of registrant as specified in its charter)

Wisconsin 39-1672779
(State or other jurisdiction of (IRS Employer Identification No.)
incorporation)

100 Manpower Place
Milwaukee, Wisconsin 53212
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (414) 961-1000

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 website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 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 a smaller reporting company. See definitions 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
(Do not check if a 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

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Shares Outstanding at April 28, 2014
Common Stock, \$.01 par value	79,623,280

ManpowerGroup Inc.

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PART I - FINANCIAL INFORMATION

Item 1 – Financial Statements (unaudited)

ManpowerGroup Inc.

Consolidated Balance Sheets (Unaudited)
(in millions)

ASSETS

	March 31, 2014	December 31, 2013
CURRENT ASSETS:		
Cash and cash equivalents	\$ 696.5	\$ 737.6
Accounts receivable, less allowance for doubtful accounts of \$121.4 and \$118.6, respectively	4,244.1	4,277.9
Prepaid expenses and other assets	142.8	161.3
Future income tax benefits	67.2	66.2
Total current assets	5,150.6	5,243.0
OTHER ASSETS:		
Goodwill	1,098.9	1,090.9
Intangible assets, less accumulated amortization of \$255.4 and \$247.9, respectively	312.5	309.1
Other assets	557.2	479.3
Total other assets	1,968.6	1,879.3
PROPERTY AND EQUIPMENT:		
Land, buildings, leasehold improvements and equipment	709.5	706.2
Less: accumulated depreciation and amortization	548.7	540.2
Net property and equipment	160.8	166.0
Total assets	\$ 7,280.0	\$ 7,288.3

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ManpowerGroup Inc.

Consolidated Balance Sheets (Unaudited)
(in millions, except share and per share data)

LIABILITIES AND SHAREHOLDERS' EQUITY

	March 31, 2014	December 31, 2013
CURRENT LIABILITIES:		
Accounts payable	\$ 1,579.0	\$ 1,523.9
Employee compensation payable	184.3	230.4
Accrued liabilities	561.3	536.1
Accrued payroll taxes and insurance	578.0	680.7
Value added taxes payable	476.4	502.5
Short-term borrowings and current maturities of long-term debt	45.4	36.0
Total current liabilities	3,424.4	3,509.6
OTHER LIABILITIES:		
Long-term debt	484.3	481.9
Other long-term liabilities	395.5	382.6
Total other liabilities	879.8	864.5
SHAREHOLDERS' EQUITY:		
Preferred stock, \$.01 par value, authorized 25,000,000 shares, none issued	-	-
Common stock, \$.01 par value, authorized 125,000,000 shares, issued 112,463,899 and 112,014,673 shares, respectively	1.1	1.1
Capital in excess of par value	3,032.6	3,014.0
Retained earnings	1,387.6	1,317.5
Accumulated other comprehensive income	82.1	82.2
Treasury stock at cost, 32,990,255 and 32,658,685 shares, respectively	(1,527.6)	(1,500.6)
Total shareholders' equity	2,975.8	2,914.2
Total liabilities and shareholders' equity	\$ 7,280.0	\$ 7,288.3

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ManpowerGroup Inc.

Consolidated Statements of Operations (Unaudited)
(in millions, except per share data)

	3 Months Ended		
	March 31,		
	2014	2013	
Revenues from services	\$ 4,904.0	\$ 4,768.9	
BALANCE SHEET			
(in thousands of \$)	2009	2008	2008
	Mar 31	Mar 31	Dec 31
			(audited)
ASSETS			
Short term			
Cash and cash equivalents	206,577	128,711	190,819
Restricted cash	334,453	391,635	370,078
Other current assets	236,181	288,549	260,465
Long term			
Restricted cash	125,126	246,586	184,673
Newbuildings	420,512	198,796	454,227
Vessels and equipment, net	598,233	206,146	438,161
Vessels under capital lease, net	1,992,792	2,263,432	2,100,717
Investment in unconsolidated subsidiaries and associated companies	4,302	5,513	4,467
Other long-term assets	23,877	20,086	24,121
Total assets	3,942,053	3,749,454	4,027,728
LIABILITIES AND EQUITY			
Short term liabilities			
Short term debt and current portion of long term debt	323,247	102,484	293,471
Current portion of obligations under capital lease	170,474	265,908	243,293
Other current liabilities	133,317	301,890	174,166
Long term liabilities			
Long term debt	616,467	373,663	614,676
Obligations under capital lease	1,931,318	2,179,785	1,969,919
Other long term liabilities	27,059	29,927	23,349
Equity			
Frontline Ltd. stockholders' equity	732,848	491,169	702,217
Noncontrolling interest	7,323	4,628	6,637
Total liabilities and equity	3,942,053	3,749,454	4,027,728

STATEMENT OF CASHFLOWS

(in thousands of \$)

	2009 Jan-Mar	2008 Jan-Mar	2008 Jan-Dec (audited)
OPERATING ACTIVITIES			
Net income attributable to Frontline Ltd.	76,618	220,974	698,770
Adjustments to reconcile net income attributable to Frontline Ltd. to net cash provided by operating activities:			
Depreciation and amortization	58,361	54,782	224,069
Unrealized foreign currency exchange (gain) loss	(7)	56	(2,172)
Gain on sale of assets (including securities)	-	(33,491)	(160,031)
Results from associated companies	164	120	901
Adjustment of derivatives and securities to market value	-	(3,578)	41,379
Noncontrolling interest	686	176	2,184
Other, net	(5,798)	(2,303)	(17,325)
Change in operating assets and liabilities	(39,128)	(26,193)	19,480
Net cash provided by operating activities	90,896	210,543	807,255
INVESTING ACTIVITIES			
Maturity (placement) of restricted cash	91,643	13,157	(2,579)
Additions to newbuildings, vessels and equipment	(70,945)	(53,027)	(637,895)
Dividends received from associated companies	-	-	265
Proceeds from issuance of shares in subsidiary	-	10,941	10,941
Purchase of other assets	-	(38,520)	(109,360)
Proceeds from sale of vessels and equipment	-	21,416	128,264
Proceeds from sale of other assets	-	-	3,286
Net provided by (cash used in) investing activities	20,698	(46,033)	(607,078)
FINANCING ACTIVITIES			
Proceeds from long-term debt, net of fees paid	47,627	5,438	515,250
Repayments of long-term debt	(16,060)	(2,825)	(87,370)
Repayment of capital leases	(107,937)	(43,223)	(171,900)
Net proceeds from share issuances	-	-	208,123
Dividends paid	(19,466)	(163,621)	(641,893)
Net cash used in financing activities	(95,836)	(204,231)	(177,790)
Net increase (decrease) in cash and cash equivalents	15,758	(39,721)	22,387
Cash and cash equivalents at start of period	190,819	168,432	168,432
Cash and cash equivalents at end of period	206,577	128,711	190,819

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FRONTLINE LTD.
(registrant)

Dated: May 28, 2009

By: /s/ Inger M. Klemp
Inger M. Klemp
Principal Financial Officer