

CARDTRONICS INC  
Form 10-Q  
August 06, 2010  
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, 2010

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: 001-33864

CARDTRONICS, INC.

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

76-0681190  
(I.R.S. Employer  
Identification No.)

3250 Briarpark Drive, Suite 400  
Houston, TX  
(Address of principal executive offices)

77042  
(Zip Code)

Registrant's telephone number, including area code: (832) 308-4000

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 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.

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Large accelerated  
filer

Accelerated filer R

Non-accelerated filer

Smaller reporting  
company

(Do not check if a 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

Common Stock, par value: \$0.0001 per share. Shares outstanding on August 4, 2010: 41,961,459

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CARDTRONICS, INC.

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When we refer to “us,” “we,” “our,” “ours” or “the Company,” we are describing Cardtronics, Inc. and/or our subsidiaries.

## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements

CARDTRONICS, INC.  
CONSOLIDATED BALANCE SHEETS  
(In thousands, excluding share and per share amounts)

	June 30, 2010 (Unaudited)	December 31, 2009
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$40,089	\$10,449
Accounts and notes receivable, net of allowance of \$297 and \$560 as of June 30, 2010 and December 31, 2009, respectively	20,009	27,700
Inventory	2,093	2,617
Restricted cash, short-term	3,060	3,452
Prepaid expenses, deferred costs, and other current assets	10,450	8,850
Total current assets	75,701	53,068
Property and equipment, net	148,403	147,348
Intangible assets, net	79,877	89,036
Goodwill	164,121	165,166
Prepaid expenses, deferred costs, and other assets	4,545	5,786
Total assets	\$472,647	\$460,404
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Current portion of long-term debt and notes payable	\$2,481	\$2,122
Capital lease obligations	—	235
Current portion of other long-term liabilities	24,599	26,047
Accounts payable	19,403	12,904
Accrued liabilities	51,379	57,583
Current portion of deferred tax liability, net	3,153	3,121
Total current liabilities	101,015	102,012
Long-term liabilities:		
Long-term debt, net of related discounts	304,560	304,930
Deferred tax liability, net	14,215	12,250
Asset retirement obligations	25,341	24,003
Other long-term liabilities	29,647	18,499
Total liabilities	474,778	461,694
Commitments and contingencies		
Stockholders' deficit:		
Common stock, \$0.0001 par value; 125,000,000 shares authorized; 47,235,439 and 46,238,028 shares issued as of June 30, 2010 and December 31, 2009, respectively; 41,746,143 and 40,900,532 shares outstanding as of June 30, 2010 and December 31, 2009, respectively	4	4

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Additional paid-in capital	203,571	200,323
Accumulated other comprehensive loss, net	(72,541 )	(57,618 )
Accumulated deficit	(84,754 )	(96,922 )
Treasury stock; 5,489,296 and 5,337,496 shares at cost as of June 30, 2010 and December 31, 2009, respectively	(50,342 )	(48,679 )
Total parent stockholders' deficit	(4,062 )	(2,892 )
Noncontrolling interests	1,931	1,602
Total stockholders' deficit	(2,131 )	(1,290 )
Total liabilities and stockholders' deficit	\$472,647	\$460,404

See accompanying notes to consolidated financial statements.

CARDTRONICS, INC.  
 CONSOLIDATED STATEMENTS OF OPERATIONS  
 (In thousands, excluding share and per share amounts)  
 (Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2010	2009	2010	2009
<b>Revenues:</b>				
ATM operating revenues	\$ 130,560	\$ 121,362	\$ 256,247	\$ 234,942
ATM product sales and other revenues	2,388	3,286	4,477	5,051
Total revenues	132,948	124,648	260,724	239,993