

UNITED THERAPEUTICS Corp
Form 10-Q
May 02, 2018
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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 March 31, 2018

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 0-26301

United Therapeutics Corporation

(Exact Name of Registrant as Specified in Its Charter)

Delaware

(State or Other Jurisdiction of
Incorporation or Organization)

52-1984749

(I.R.S. Employer
Identification No.)

1040 Spring Street, Silver Spring, MD
(Address of Principal Executive Offices)

20910
(Zip Code)

(301) 608-9292

(Registrant's Telephone Number, Including Area Code)

(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 (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, smaller reporting company, or an emerging growth company. See the definitions of large accelerated filer, accelerated filer, smaller reporting company, and emerging growth company in Rule 12b-2 of the Exchange Act:

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(do not check if a smaller reporting company)

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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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

The number of shares outstanding of the issuer's common stock, par value \$.01 per share, as of April 25, 2018 was 43,544,022.

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	March 31, 2018 (Unaudited)	December 31, 2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 932.7	\$ 705.1
Marketable investments	324.1	222.3
Accounts receivable, no allowance for 2018 and 2017	211.1	297.1
Inventories, net	101.5	107.9
Other current assets	64.2	115.5
Total current assets	1,633.6	1,447.9
Marketable investments	414.8	502.7
Goodwill and other intangible assets, net	45.6	45.6
Property, plant and equipment, net	577.5	545.7
Deferred tax assets, net	113.4	113.4
Other non-current assets	235.3	224.1
Total assets	\$ 3,020.2	\$ 2,879.4
Liabilities and Stockholders Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 203.4	\$ 171.1
Share tracking awards plan	82.8	240.1
Other current liabilities	32.2	33.5
Total current liabilities	318.4	444.7
Line of credit	250.0	250.0
Other non-current liabilities	63.2	63.7
Total liabilities	631.6	758.4
Commitments and contingencies		
Temporary equity	19.2	19.2
Stockholders equity:		
Preferred stock, par value \$.01, 10,000,000 shares authorized, no shares issued		
Series A junior participating preferred stock, par value \$.01, 100,000 shares authorized, no shares issued		
Common stock, par value \$.01, 245,000,000 shares authorized, 70,055,130 and 69,858,840 shares issued, and 43,435,914 and 43,239,624 shares outstanding at March 31, 2018 and December 31, 2017, respectively	0.7	0.7
Additional paid-in capital	1,879.5	1,854.3
Accumulated other comprehensive loss	(21.7)	(19.6)
Treasury stock, 26,619,216 shares at March 31, 2018 and December 31, 2017	(2,579.2)	(2,579.2)

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Retained earnings		3,090.1		2,845.6
Total stockholders' equity		2,369.4		2,101.8
Total liabilities and stockholders' equity	\$	3,020.2	\$	2,879.4

See accompanying notes to consolidated financial statements.

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UNITED THERAPEUTICS CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per share data)

	Three Months Ended March 31,	
	2018	2017
	(Unaudited)	
Revenues:		
Net product sales	\$ 389.2	\$ 370.5
Total revenues	389.2	370.5
Operating expenses:		
Cost of product sales	53.2	14.3
Research and development	35.7	36.2
Selling, general and administrative	(6.6)	56.4
Total operating expenses	82.3	106.9
Operating income	306.9	263.6
Other income (expense):		
Interest expense	(2.6)	(0.8)
Other, net	4.7	0.8
Total other income (expense), net	2.	