

VECTREN CORP
Form 8-K
February 17, 2015

SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) February 16, 2015

VECTREN CORPORATION
(Exact name of registrant as specified in its charter)

| Commission File No. | Registrant, State of Incorporation, Address, and Telephone Number | I.R.S Employer Identification No. |
|------------------------|--|--------------------------------------|
| 1-15467 | Vectren Corporation (An Indiana Corporation) One Vectren Square, Evansville, Indiana 47708 (812) 491-4000 | 35-2086905 |
| 1-16739 | Vectren Utility Holdings, Inc. (An Indiana Corporation) One Vectren Square, Evansville, Indiana 47708 (812) 491-4000 | 35-2104850 |

Former name or address, if changed since last report:
N/A

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- r Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- r Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- r Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- r Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.02. Results of Operations and Financial Condition

On February 16, 2015 Vectren Corporation (the Company) announced the Company's results of operations for the three and twelve months ended December 31, 2014 and 2013. A copy of the press release is furnished as Exhibit 99.1 and the supporting information and schedules are furnished as Exhibit 99.2 to this Current Report on Form 8-K.

Vectren Corporation is the parent company of Vectren Utility Holdings, Inc. (Utility Holdings) and Vectren Enterprises, Inc. (Enterprises). Utility Holdings is the intermediate holding company of the Company's three operating public utilities, and Enterprises is the holding company for the Company's nonutility operations.

In this press release, the per share earnings contributions of the Utility Group, Nonutility Group excluding the results from the Company's Coal Mining segment (Coal Mining) in 2014 and ProLiance Holdings, LLC (ProLiance) in 2013, and Corporate and Other are presented and are non-GAAP measures. Such per share amounts are based on the earnings contribution of each group included in Vectren's consolidated results divided by Vectren's basic average shares outstanding during the period. The earnings per share of the groups do not represent a direct legal interest in the assets and liabilities allocated to the groups, but rather represent a direct equity interest in Vectren Corporation's assets and liabilities as a whole. These non-GAAP measures are used by management to evaluate the performance of individual businesses. In addition, other items giving rise to period over period variances, such as weather, may be presented on an after tax and per share basis. These amounts are calculated at a statutory tax rate divided by Vectren's basic average shares outstanding during the period. Accordingly, management believes these measures are useful to investors in understanding each business' contribution to consolidated earnings per share and in analyzing consolidated period to period changes and the potential for earnings per share contributions in future periods. Reconciliations of the non-GAAP measures to their most closely related GAAP measure of consolidated earnings per share are included throughout this press release.

The press release also contains non-GAAP financial measures that exclude the results related to Coal Mining and ProLiance in the respective years of disposition. Management uses consolidated net income, consolidated earnings per share, and Nonutility Group net income, excluding the results from Coal Mining in 2014 and ProLiance in 2013, the years of disposition, to evaluate its results. Coal Mining and ProLiance results that are excluded from the GAAP measures are inclusive of holding company costs (corporate allocations, interest and taxes) incurred to date. Management believes analyzing underlying and ongoing business trends is aided by the removal of Coal Mining and ProLiance results in the respective year of disposition and the rationale for using such non-GAAP measures is that, through the disposition of the Coal Mining segment and through the disposition by ProLiance Holdings of certain ProLiance Energy assets, the company has now exited the coal mining and gas marketing businesses. Management believes excluding these items provides the best representation of the overall results of ongoing operations.

A material limitation associated with the use of these measures is that the measures that exclude Coal Mining and ProLiance results do not include all costs recognized in accordance with GAAP. Management compensates for this limitation by prominently displaying a reconciliation of these non-GAAP performance measures to their closest GAAP performance measures. This display also provides financial statement users the option of analyzing results as management does or by analyzing GAAP results.

The following table reconciles consolidated net income, consolidated basic EPS, and Nonutility Group net income to those results excluding Coal Mining results in 2014 and ProLiance in 2013, the respective year of disposition.

| (in Millions, except EPS) | Twelve Months Ended December 31, 2014 | | |
|---------------------------|---------------------------------------|-----------------------------|------------------|
| | GAAP Measure | Exclude Coal Mining Results | Non-GAAP Measure |
| Consolidated Net Income | \$ 166.9 | \$ 21.1 | \$ 188 |

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| | | | |
|-----------------------------|---------|---------|---------|
| Basic EPS | \$ 2.02 | \$ 0.26 | \$ 2.28 |
| Nonutility Group Net Income | \$ 18.0 | \$ 21.1 | \$ 39.1 |

| (in Millions, except EPS) | Twelve Months Ended December 31, 2013 | | |
|------------------------------------|---------------------------------------|---------------------------|------------------|
| | GAAP Measure | Exclude ProLiance Results | Non-GAAP Measure |
| Consolidated | | | |
| Net Income | \$ 136.6 | \$ 37.5 | \$ 174.1 |
| Basic EPS | \$ 1.66 | \$ 0.46 | \$ 2.12 |
| Nonutility Group Net Income (Loss) | \$ (4.5 |) \$ 37.5 | \$ 33.0 |

The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP, and the financial results calculated in accordance with GAAP.

In connection with the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, the Company is hereby furnishing cautionary statements identifying important factors that could cause actual results of the Company and its subsidiaries, including Vectren Utility Holdings, Inc., to differ materially from those projected in forward-looking statements of the Company and its subsidiaries made by, or on behalf of, the Company and its subsidiaries. These cautionary statements are attached as Exhibit 99.3.

Item 9.01. Exhibits.

(d) Exhibits

| Exhibit Number | Description |
|----------------|---|
| 99.1 | Vectren Corporation Reports 2014 Results Affirms 2015 Guidance |
| 99.2 | Supporting Financial Statements and Schedules |
| 99.3 | Cautionary Statement for Purposes of the "Safe Harbor" Provisions of the Private Securities Litigation Reform Act of 1995 |

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 hereunto duly authorized.

VECTREN CORPORATION
VECTREN UTILITY HOLDINGS, INC.

February 17, 2015

By: /s/ M. Susan Hardwick
M. Susan Hardwick
Senior Vice President and Chief Financial Officer

INDEX TO EXHIBITS

The following Exhibits are furnished as part of this Report to the extent described in Item 2.02:

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