

International Coal Group, Inc.  
Form 10-Q  
May 06, 2010

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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, 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 No. 001-32679

International Coal Group, Inc.  
(Exact Name of Registrant as Specified in Its Charter)

Delaware  
(State or Other Jurisdiction of  
Incorporation or Organization)

20-2641185  
(I.R.S. Employer  
Identification No.)

300 Corporate Centre Drive  
Scott Depot, West Virginia  
(Address of Principal Executive Offices)

25560  
(Zip Code)

(304) 760-2400  
(Registrant's Telephone Number, Including Area Code)

N/A

(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

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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 definition of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

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

**APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:**

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes  No

**APPLICABLE ONLY TO CORPORATE ISSUERS:**

Number of shares of the Registrant’s Common Stock, \$0.01 par value, outstanding as of May 1, 2010—203,753,613.

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## PART I

## Item 1. Condensed Consolidated Financial Statements

INTERNATIONAL COAL GROUP, INC. AND SUBSIDIARIES  
 Condensed Consolidated Balance Sheets (Unaudited)  
 (Dollars in thousands, except per share amounts)

	March 31, 2010	December 31, 2009
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 301,717	\$ 92,641
Accounts receivable, net of allowances of \$143 and \$222	107,583	80,291
Inventories, net	78,103	82,037
Deferred income taxes	13,130	15,906
Prepaid insurance	5,144	6,351
Income taxes receivable	17	1,423
Prepaid expenses and other	11,717	9,960
<b>Total current assets</b>	<b>517,411</b>	<b>288,609</b>
<b>PROPERTY, PLANT, EQUIPMENT AND MINE DEVELOPMENT, net</b>		
	1,027,913	1,038,200
<b>DEBT ISSUANCE COSTS, net</b>	15,393	7,634
<b>ADVANCE ROYALTIES, net</b>	17,288	18,025
<b>OTHER NON-CURRENT ASSETS</b>	6,578	15,492
<b>Total assets</b>	<b>\$ 1,584,583</b>	<b>\$ 1,367,960</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 63,911	\$ 63,582
Short-term debt	1,333	2,166
Current portion of long-term debt and capital lease	132,430	17,794
Current portion of reclamation and mine closure costs	9,390	9,390
Current portion of employee benefits	3,973	3,973
Accrued expenses and other	58,550	74,803
<b>Total current liabilities</b>	<b>269,587</b>	<b>171,708</b>
<b>LONG-TERM DEBT AND CAPITAL LEASE</b>	339,438	366,515
<b>RECLAMATION AND MINE CLOSURE COSTS</b>	66,020	65,601
<b>EMPLOYEE BENEFITS</b>	66,783	63,767
<b>DEFERRED INCOME TAXES</b>	59,738	57,399
<b>BELOW-MARKET COAL SUPPLY AGREEMENTS</b>	29,050	29,939
<b>OTHER NON-CURRENT LIABILITIES</b>	3,671	3,797
<b>Total liabilities</b>	<b>834,287</b>	<b>758,726</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>STOCKHOLDERS' EQUITY:</b>		

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Preferred stock—par value \$0.01, 200,000,000 shares authorized, none issued	—	—
Common stock—par value \$0.01, 2,000,000,000 shares authorized, 203,798,127 and 203,788,179 shares issued and outstanding, respectively, as of March 31, 2010 and 172,820,047 and 172,812,726 shares issued and outstanding, respectively, as of December 31, 2009	2,038	1,728
Treasury stock	(25)	(14)
Additional paid-in capital	881,754	732,124
Accumulated other comprehensive income	1,033	1,048
Retained deficit	(134,565)	(125,713)
Total International Coal Group, Inc. stockholders' equity	750,235	609,173
Noncontrolling interest	61	61
Total stockholders' equity	750,296	609,234
Total liabilities and stockholders' equity	\$ 1,584,583	\$ 1,367,960

See notes to condensed consolidated financial statements.

INTERNATIONAL COAL GROUP, INC. AND SUBSIDIARIES  
Condensed Consolidated Statements of Operations (Unaudited)  
(Dollars in thousands, except per share amounts)

	Three months ended	
	March 31,	
	2010	2009
<b>REVENUES:</b>		
Coal sales revenues	\$ 270,490	\$ 273,816
Freight and handling revenues		