

FREEPORT MCMORAN COPPER & GOLD 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: 001-11307-01

Freeport-McMoRan Copper & Gold Inc.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

74-2480931
(I.R.S. Employer Identification No.)

333 North Central Avenue
Phoenix, AZ
(Address of principal executive offices)

85004-4414
(Zip Code)

(602) 366-8100
(Registrant's telephone number, including area code)

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.

R Yes o 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). R Yes o 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.

Large accelerated filer R

Accelerated filer

o Non-accelerated filer o

Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

On July 30, 2010, there were issued and outstanding 470,436,600 shares of the registrant's common stock, par value \$0.10 per share.

FREEPORT-McMoRan COPPER & GOLD INC.

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FREEPORT-McMoRan COPPER & GOLD INC.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements.

FREEPORT-McMoRan COPPER & GOLD INC.
CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

	June 30, 2010	December 31, 2009
	(In Millions)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 3,042	\$ 2,656
Trade accounts receivable	1,009	1,517
Other accounts receivable	235	286
Inventories:		
Product	1,031	1,110
Materials and supplies, net	1,097	1,093
Mill and leach stockpiles	768	667
Other current assets	111	104
Total current assets	7,293	7,433
Property, plant, equipment and development costs, net	16,272	16,195
Long-term mill and leach stockpiles	1,353	1,321
Intangible assets, net	333	347
Other assets	728	700
Total assets	\$ 25,979	\$ 25,996
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 2,065	\$ 2,038
Dividends payable, including dividends payable to noncontrolling interests	329	99
Accrued income taxes	240	474
Current portion of reclamation and environmental obligations	198	214
Current portion of long-term debt and short-term borrowings	101	16
Rio Tinto share of joint venture cash flows	50	161
Total current liabilities	2,983	3,002
Long-term debt, less current portion	4,684	6,330
Deferred income taxes	2,612	2,503
Reclamation and environmental obligations, less current portion	2,005	1,981
Other liabilities	1,402	1,423
Total liabilities	13,686	15,239
Equity:		
FCX stockholders' equity:		
6¾% Mandatory Convertible Preferred Stock	—	2,875

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Common stock	59	55
Capital in excess of par value	18,639	15,680
Accumulated deficit	(4,466)	(5,805)
Accumulated other comprehensive loss	(268)	(273)
Common stock held in treasury	(3,432)	(3,413)
Total FCX stockholders' equity	10,532	9,119
Noncontrolling interests	1,761	1,638
Total equity	12,293	10,757
Total liabilities and equity	\$ 25,979	\$ 25,996

The accompanying notes are an integral part of these consolidated financial statements.

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FREEPORT-McMoRan COPPER & GOLD INC.
CONSOLIDATED STATEMENTS OF INCOME (Unaudited)

Three Months Ended		Six Months Ended	
June 30,		June 30,	
2010	2009	2010	2009

(In Millions, Except Share Amounts)

Revenues	\$	3,864	\$	3,684	\$	8,227	\$	6,286
Cost of sales:								
Production and delivery		2,052		1,809		3,970		3,371
Depreciation, depletion and amortization		249		256		520		488
Lower of cost or market inventory adjustments		—						