

ICAHN ENTERPRISES L.P.  
 Form 10-Q  
 May 07, 2015

UNITED STATES  
 SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarterly Period Ended March 31, 2015

(Commission File Number)	(Exact Name of Registrant as Specified in Its Charter) (Address of Principal Executive Offices) (Zip Code) (Telephone Number)	(State or Other Jurisdiction of (IRS Employer Incorporation Identification or No.) Organization)	
1-9516	ICAHN ENTERPRISES L.P. 767 Fifth Avenue, Suite 4700 New York, NY 10153 (212) 702-4300	Delaware	13-3398766
333-118021-01	ICAHN ENTERPRISES HOLDINGS L.P. 767 Fifth Avenue, Suite 4700 New York, NY 10153 (212) 702-4300	Delaware	13-3398767

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.

Icahn Enterprises L.P. Yes  No  Icahn Enterprises Holdings L.P. 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).

Icahn Enterprises L.P. Yes  No  Icahn Enterprises Holdings L.P. 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 (Check One):

Icahn Enterprises L.P.		Icahn Enterprises Holdings L.P.	
Large Accelerated Filer <input checked="" type="checkbox"/>	Accelerated Filer <input type="checkbox"/>	Large Accelerated Filer <input type="checkbox"/>	Accelerated Filer <input type="checkbox"/>
Non-accelerated Filer <input type="checkbox"/>	Smaller Reporting Company <input type="checkbox"/>	Non-accelerated Filer <input checked="" type="checkbox"/>	Smaller Reporting Company <input type="checkbox"/>

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Icahn Enterprises L.P. Yes  No  Icahn Enterprises Holdings L.P. Yes  No

As of May 6, 2015, there were 124,817,349 of Icahn Enterprises' depositary units outstanding.

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ICAHN ENTERPRISES L.P.  
ICAHN ENTERPRISES HOLDINGS L.P.  
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EXPLANATORY NOTE

This Quarterly Report on Form 10-Q (this "Report") is a joint report being filed by Icahn Enterprises L.P. and Icahn Enterprises Holdings L.P. Each registrant hereto is filing on its own behalf all of the information contained in this Report that relates to such registrant. Each registrant hereto is not filing any information that does not relate to such registrant, and therefore makes no representation as to any such information.

## PART I. FINANCIAL INFORMATION

## Item 1. Financial Statements.

## ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions, except unit amounts)

	March 31, 2015 (Unaudited)	December 31, 2014
<b>ASSETS</b>		
Cash and cash equivalents	\$2,868	\$2,912
Cash held at consolidated affiliated partnerships and restricted cash	2,005	1,435
Investments	14,869	14,500
Accounts receivable, net	1,776	1,691
Inventories, net	1,937	1,879
Property, plant and equipment, net	9,201	8,955
Goodwill	2,048	2,000
Intangible assets, net	1,133	1,088
Other assets	1,404	1,320
Total Assets	\$37,241	\$35,780
<b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$1,427	\$1,387
Accrued expenses and other liabilities	2,713	2,235
Deferred tax liability	1,338	1,255
Securities sold, not yet purchased, at fair value	958	337
Due to brokers	4,627	5,197
Post-employment benefit liability	1,355	1,391
Debt	12,088	11,588
Total liabilities	24,506	23,390
Commitments and contingencies (Note 17)		
Equity:		
Limited partners: Depositary units: 123,103,414 units issued and outstanding at both March 31, 2015 and December 31, 2014	5,553	5,672
General partner	(231	) (229
Equity attributable to Icahn Enterprises	5,322	5,443
Equity attributable to non-controlling interests	7,413	6,947
Total equity	12,735	12,390
Total Liabilities and Equity	\$37,241	\$35,780

See notes to condensed consolidated financial statements.



## ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions, except per unit amounts)

	Three Months Ended March 31,	
	2015	2014
	(Unaudited)	
Revenues:		
Net sales	\$3,565	\$4,666
Other revenues from operations	329	261
Net gain (loss) from investment activities	591	(31)
Interest and dividend income	53	59
Other (loss) income, net	(27)	) 35
	4,511	4,990
Expenses:		
Cost of goods sold	3,125	4,142
Other expenses from operations	155	129
Selling, general and administrative	477	360
Restructuring	12	8
Impairment	1	1
Interest expense	270	170
	4,040	4,810
Income before income tax expense	471	180
Income tax expense	(49)	) (103)
Net income	422	77
Less: net income attributable to non-controlling interests	(261)	) (106)
Net income (loss) attributable to Icahn Enterprises	\$161	\$(29)
Net (loss) income attributable to Icahn Enterprises allocable to:		
Limited partners	\$158	\$(28)
General partner	3	(1)
	\$161	\$(29)
Basic income (loss) per LP unit	\$1.28	\$(0.24)
Basic weighted average LP units outstanding	123	117
Diluted income (loss) per LP unit	\$1.27	\$(0.24)
Diluted weighted average LP units outstanding	124	117
Cash distributions declared per LP unit	\$1.50	\$1.50

See notes to condensed consolidated financial statements.

## ICAHN ENTERPRISES L.P. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions)

	Three Months Ended March 31,	
	2015	2014
	(Unaudited)	
Net income	\$422	\$77
Other comprehensive income (loss), net of tax:		
Post-employment benefits	22	2
Hedge instruments	1	—
Translation adjustments and other	(128	) (5
Other comprehensive loss, net of tax	(105	) (3
Comprehensive income	317	74
Less: Comprehensive income attributable to non-controlling interests	(239	) (105
Comprehensive income (loss) attributable to Icahn Enterprises	\$78	\$(31
Comprehensive income (loss) attributable to Icahn Enterprises allocable to:		
Limited partners	\$76	\$(30
General partner	2	(1
	\$78	\$(31

Accumulated other comprehensive loss was \$1,398 million and \$1,293 million at March 31, 2015 and December 31, 2014, respectively.

See notes to condensed consolidated financial statements.





ICAHN ENTERPRISES L.P. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 (In millions, Unaudited)

	Equity Attributable to Icahn Enterprises				Total Equity
	General Partner's (Deficit) Equity	Limited Partners' Equity	Total Partners' Equity	Non-controlling Interests	
Balance, December 31, 2014	\$ (229 )	\$ 5,672	\$ 5,443	\$ 6,947	\$ 12,390
Net income (loss)	3	158	161	261	422
Other comprehensive loss	(1 )	(82 )	(83 )	(22 )	(105 )
Partnership distributions	(4 )	(184 )	(188 )	—	(188 )
Investment segment contributions	—	—	—	245	245
Distributions to non-controlling interests in subsidiaries	—	—	—	(48 )	(48 )
Proceeds from subsidiary equity offering	—	—	—	20	20
Changes in subsidiary equity and other	—	(11 )	(11 )	10	(1 )
Balance, March 31, 2015	\$ (231 )	\$ 5,553	\$ 5,322	\$ 7,413	\$ 12,735

	Equity Attributable to Icahn Enterprises				Total Equity
	General Partner's (Deficit) Equity	Limited Partners' Equity	Total Partners' Equity	Non-controlling Interests	
Balance, December 31, 2013	\$ (216 )	\$ 6,308	\$ 6,092	\$ 7,217	\$ 13,309
Net (loss) income	(1 )	(28 )	(29 )	106	77
Other comprehensive loss	—	(2 )	(2 )	(1 )	(3 )
Partnership distributions	(4 )	(195 )	(199 )	—	(199 )
Distributions to non-controlling interests in subsidiaries	—	—	—	(427 )	(427 )
Changes in subsidiary equity and other	3	131	134	—	134
Balance, March 31, 2014	\$ (218 )	\$ 6,214	\$ 5,996	\$ 6,895	\$ 12,891

See notes to condensed consolidated financial statements.



ICAHN ENTERPRISES L.P. AND SUBSIDIARIES  
 CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
 (In millions)

	Three Months Ended March 31,	
	2015	2014
	(Unaudited)	
Cash flows from operating activities:		
Net income	\$422	\$77
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Net gain from securities transactions	(525	) (154
Purchases of securities	(283	) (2,756
Proceeds from sales of securities	339	410
Purchases to cover securities sold, not yet purchased	(186	) (73
Proceeds from securities sold, not yet purchased	839	16
Changes in receivables and payables relating to securities transactions	(560	) 1,718
Loss on extinguishment of debt	2	126
Gain on disposition of assets	(11	) (5
Depreciation and amortization	207	197
Deferred taxes	5	63
Other, net	(14	) 12
Changes in cash held at consolidated affiliated partnerships and restricted cash	(534	) (335
Changes in other operating assets and liabilities	113	(98
Net cash used in operating activities	(186	) (802
Cash flows from investing activities:		
Capital expenditures	(363	) (282
Acquisition of business, net of cash acquired	(305	) —
Net proceeds from business dispositions	15	—
Net proceeds from the sale and disposition of assets	80	—
Other, net	—	(14
Net cash used in investing activities	(573	) (296
Cash flows from financing activities:		
Capital contributions by non-controlling interests	245	—
Partnership distributions	—	(24
Proceeds from offering of subsidiary equity	20	—
Distributions to non-controlling interests in subsidiaries	(48	) (427
Proceeds from issuance of senior unsecured notes	—	4,991
Proceeds from other borrowings	1,070	1,275
Repayment of senior unsecured notes	—	(3,625
Repayments of other borrowings	(572	) (1,000
Other, net	(13	) (10
Net cash provided by financing activities	702	1,180
Effect of exchange rate changes on cash and cash equivalents	13	(2
Net (decrease) increase in cash and cash equivalents	(44	) 80
Cash and cash equivalents, beginning of period	2,912	3,262
Cash and cash equivalents, end of period	\$2,868	\$3,342



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Supplemental information:

Cash payments for interest, net of amounts capitalized	\$200	\$245	
Net cash (refunds) payments for income taxes	\$(38)	) \$15	
Distribution payable to Icahn Enterprises unitholders	\$188	\$175	
Construction in progress additions included in accounts payable	\$22	\$27	
Changes in accounts payable related to construction in progress additions	\$(3	) \$(5	)

See notes to condensed consolidated financial statements.

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## ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED BALANCE SHEETS

(In millions)

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Cash and cash equivalents	\$2,868	\$2,912
Cash held at consolidated affiliated partnerships and restricted cash	2,005	1,435
Investments	14,869	14,500
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Inventories, net	1,937	1,879
Property, plant and equipment, net	9,201	8,955
Goodwill	2,048	2,000
Intangible assets, net	1,133	1,088
Other assets	1,427	1,343
Total Assets	\$37,264	\$35,803
<b>LIABILITIES AND EQUITY</b>		
Accounts payable	\$1,427	\$1,387
Accrued expenses and other liabilities	2,713	2,235
Deferred tax liability	1,338	1,255
Securities sold, not yet purchased, at fair value	958	337
Due to brokers	4,627	5,197
Post-employment benefit liability	1,355	1,391
Debt	12,088	11,588
Total liabilities	24,506	23,390
Commitments and contingencies (Note 17)		
Equity:		
Limited partner	5,631	5,751
General partner	(286	) (285
Equity attributable to Icahn Enterprises Holdings	5,345	5,466
Equity attributable to non-controlling interests	7,413	6,947
Total equity	12,758	12,413
Total Liabilities and Equity	\$37,264	\$35,803

See notes to condensed consolidated financial statements.



## ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

## CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS

(In millions)

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Net income	422	77
Less: net income attributable to non-controlling interests	(261)	) (106)
Net income (loss) attributable to Icahn Enterprises Holdings	\$161	) \$(29)
Net income (loss) attributable to Icahn Enterprises Holdings allocable to:		
Limited partner	\$159	) \$(29)
General partner	2	—
	\$161	) \$(29)

See notes to condensed consolidated financial statements.

ICAHN ENTERPRISES HOLDINGS L.P. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In millions)

Three Months Ended March 31,  
2015