

Edgar Filing: MIRANT CORP - Form 8-K

MIRANT CORP  
Form 8-K  
October 29, 2001

SECURITIES AND EXCHANGE COMMISSION

Washington, D. C. 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) October 28, 2001  
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MIRANT CORPORATION

(Exact name of registrant as specified in its charter)

-----  
Delaware

001-16107

58-2056305

-----  
(State or other jurisdiction  
of incorporation)

(Commission File  
Number)

(IRS Employer Identification  
No.)

1155 Perimeter Center West Suite 100, Atlanta, Georgia

30338

-----  
(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code

(678) 579-5000  
-----

N/A

-----  
(Former name or former address, if changed since last report.)

Item 5. Other

On October 28, 2001 Mirant Corporation, issued a press release reporting its financial results for the three and nine months ended September 30, 2001. Attached in Item 7 is the financial information for the three and nine months ended September 30, 2001 included in that release.

Item 7. Financial Statements, Pro Forma Financial Information and Exhibits.

(c) Exhibits

99.1 Financial information for the three and nine months ended  
September 30, 2001, dated October 28, 2001

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## SIGNATURE

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 thereunto duly authorized.

Date: October 29, 2001

MIRANT CORPORATION

By /s/ James A. Ward

-----  
 James A. Ward  
 Senior Vice President, Finance  
 And Accounting  
 (Principal Accounting Officer)

### EXHIBIT 99.1

#### MIRANT CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF INCOME (UNAUDITED)

|  | For the Three Months<br>Ended September 30, |         | For the Nine Months<br>Ended September 30, |         |
|--|---|---------|--|---------|
|  | 2001  | 2000    | 2001                                       | 2000    |
|  | (in millions)                               |         | (in millions)                              |         |
| Operating Revenues   | \$8,185                                     | \$4,198 | \$24,295                                   | \$5,357 |
| Operating Expenses:  |   |         |  |         |
| Cost of fuel, electricity and other products                                   | 7,303                                       | 3,569   | 21,811                                     | 3,965   |
| Maintenance  | 32  | 36      | 103  | 104     |
| Depreciation and amortization  | 100   | 89      | 284  | 244     |
| Selling, general and administrative  | 209   | 209     | 748  | 323     |
| Impairment Loss  | 3   | 5       | 96   | 19      |
| Other  | 81  | 73      | 265  | 175     |
|  | 7,728                                       |         | 23,307                                     |         |
| Total operating expenses   |   | 3,981   |  | 4,830   |
| Operating Income   | 457   | 217     | 988  | 527     |
| Other Income (Expense):  |   |         |  |         |
| Interest income  | 27  | 42      | 111  | 123     |
| Interest expense   | (142)                                       | (162)   | (428)                                      | (461)   |
| Equity in income of affiliates   | 38  | 69      | 164  | 132     |
| Other, net   | 9   | 27      | 30   | 66      |
|  | (68)  |         | (123)                                      |         |
| Total other income (expense)   |   | (24)    |  | (140)   |
| Income From Continuing Operations Before<br>Income Taxes and Minority Interest | 389   | 193     | 865  | 387     |
| Provision (Benefit) for Income Taxes   | 137   | 85      | 284  | 55      |

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|   |        |       |        |        |
|---|--------|-------|--------|--------|
| Minority Interest   | 18     | 17    | 48     | 60     |
|   | -----  | ----- | -----  | -----  |
| Income From Continuing Operations   | 234    | 91    | 533    | 272    |
| Income from Discontinued Operations After<br>Income Taxes and Minority Interest | -      | 7     | 5      | 20     |
|   | -----  | ----- | -----  | -----  |
| Net Income  | \$ 234 | \$ 98 | \$ 538 | \$ 292 |
|   | =====  | ===== | =====  | =====  |

Notes:

- (1) Certain prior-year data has been reclassified to conform with the current-year presentation.
- (2) Basic Earnings Per Share from Continuing Operations for the nine months ended September 30, 2001 and 2000 were \$1.57 and \$1.00, respectively, based on the weighted average of 340,385,222 and 272,000,000 shares of common stock outstanding.
- (3) Diluted Earnings Per Share from Continuing Operations for the nine months ended September 30, 2001 was \$1.53. Pro Forma Diluted Earnings Per Share from Continuing Operations for the nine months ended September 30, 2000 was \$0.79.

MIRANT CORPORATION AND SUBSIDIARIES  
EARNINGS AND PRO FORMA EARNINGS PER SHARE (UNAUDITED)

|  | For the Three Months<br>Ended September 30, |         |          | For the<br>Ended |
|--|---|---------|----------|------------------|
|  | 2001  | 2000    | % Change | 2001             |
|  | -----                                       | -----   | -----    | -----            |
| Consolidated Earnings (in millions)  |   |         |          |                  |
| As Reported  | \$ 234                                      | \$ 98   | 139%     | \$ 538           |
| As Reported from Continuing Operations                                       | 234   | 91      | 157%     | 533              |
| Adjustments (page 7)   | -   | 28      | NM       | 57               |
|  | -----                                       | -----   |          | -----            |
| From Operations  | \$ 234                                      | \$ 119  | 97%      | \$ 590           |
|  | =====                                       | =====   |          | =====            |
| Contributions to Income from Operations by Group                             |   |         |          |                  |
| Asia-Pacific   | \$ 53                                       | \$ 33   | 61%      | \$ 149           |
| Europe   | 12  | 19      | -37%     | 60               |
| Americas   | 222   | 113     | 96%      | 552              |
| Corporate  | (53)  | (46)    | 15%      | (171)            |
|  | -----                                       | -----   |          | -----            |
| From Operations  | \$ 234                                      | \$ 119  | 97%      | \$ 590           |
|  | =====                                       | =====   |          | =====            |
| Diluted Earnings Per Share (Pro Forma for 2000):                             |   |         |          |                  |
| -----  |   |         |          |                  |
| Average number of shares of common stock<br>outstanding (in millions)        | 355.7                                       | 352.6   |          | 355.1            |
| Additions to Income for Pro Forma Diluted<br>Earnings Per Share (in million) | \$ 4  | \$ 5    |          | \$ 11            |
|  |   |         |          |                  |
| Consolidated Earnings Per Share  |   |         |          |                  |
| As Reported  | \$ 0.67                                     | \$ 0.29 | 131%     | \$ 1.55          |
|  |   |         |          |                  |

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|   |         |         |      |         |       |
|---|---------|---------|------|---------|-------|
| As Reported from Continuing Operations                                | 0.67    | 0.27    | 148% | 1.53    |       |
| Adjustments (page 7)  | -       | 0.08    | NM   | 0.16    |       |
|   | -----   | -----   |      | -----   | ----- |
| From Operations   | \$ 0.67 | \$ 0.35 | 91%  | \$ 1.69 | \$    |
|   | =====   | =====   |      | =====   | ===== |
| Contributions to Diluted Earnings Per Share by Group                  |         |         |      |         |       |
| Asia-Pacific  | \$ 0.15 | \$ 0.09 | 67%  | \$ 0.42 | \$    |
| Europe  | 0.03    | 0.05    | -40% | 0.17    |       |
| Americas  | 0.62    | 0.32    | 94%  | 1.55    |       |
| Corporate   | (0.13)  | (0.11)  | 18%  | (0.45)  |       |
|   | -----   | -----   |      | -----   | ----- |
| From Operations   | \$ 0.67 | \$ 0.35 | 91%  | \$ 1.69 | \$    |
|   | =====   | =====   |      | =====   | ===== |
| Basic Earnings Per Share (Pro Forma for 2000):                        |         |         |      |         |       |
| -----   |         |         |      |         |       |
| Average number of shares of common stock<br>outstanding (in millions) | 340.4   | 338.7   |      | 339.7   |       |
| Consolidated Earnings   |         |         |      |         |       |
| As Reported   | \$ 0.69 | \$ 0.29 | 138% | \$ 1.58 | \$    |
| As Reported from Continuing Operations                                | 0.69    | 0.27    | 156% | 1.57    |       |
| Adjustments (page 7)  | -       | 0.08    | NM   | 0.17    |       |
|   | -----   | -----   |      | -----   | ----- |
| From Operations   | \$ 0.69 | \$ 0.35 | 97%  | \$ 1.74 | \$    |
|   | =====   | =====   |      | =====   | ===== |

NM = Not Meaningful

MIRANT CORPORATION AND SUBSIDIARIES  
EARNINGS AND PRO FORMA EARNINGS PER SHARE  
AS REPORTED AND FROM OPERATIONS (UNAUDITED)

| 2001  | Quarter 1 | Quarter 2 | Quarter 3 |
|---|-----------|-----------|-----------|
| -----   | -----     | -----     | -----     |
| Consolidated Earnings (in millions)                               |           |           |           |
| As Reported   | \$ 180    | \$ 124    |           |
| As Reported from Continuing Operations                            | 175       | 124       |           |
| Adjustments for: Write-off of Chilean Investment                  |           | 57        |           |
|   | -----     | -----     | -----     |
| From Operations   | \$ 175    | \$ 181    |           |
|   | =====     | =====     | =====     |
| 2000  |           |           |           |
| -----   |           |           |           |
| Consolidated Earnings (in millions)                               |           |           |           |
| As Reported   | \$ 101    | \$ 93     |           |
| As Reported from Continuing Operations                            | 95        | 86        |           |
| Adjustment for Costs Related to Transitioning to a Public Company | -         | -         |           |
|   | -----     | -----     | -----     |
| From Operations   | \$ 95     | \$ 86     |           |
|   | =====     | =====     | =====     |

Diluted Earnings Per Share (Pro Forma for 2000):

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2001

-----

|  |         |         |    |
|--|---------|---------|----|
| Number of shares of common stock outstanding (in millions)       | 354.1   | 356.8   |    |
| Additions to Income for Diluted Earnings Per Share (in millions) | \$ 4    | \$ 3    | \$ |
| Diluted Earnings Per Share                                       |         |         |    |
| As Reported  | \$ 0.52 | \$ 0.36 | \$ |
| As Reported from Continuing Operations                           | \$ 0.51 | \$ 0.36 | \$ |
| Adjustments for: Write-off of Chilean Investment                 | \$ -    | \$ 0.16 | \$ |
| From Operations  | \$ 0.51 | \$ 0.52 | \$ |

2000

-----

|  |         |         |    |
|--|---------|---------|----|
| Number of shares of common stock outstanding (in millions) | 352.2   | 352.2   |    |
| Additions to Income (in millions)                          | \$ -    | \$ 1    | \$ |
| Pro Forma Diluted Earnings Per Share                       |         |         |    |
| As Reported  | \$ 0.29 | \$ 0.27 | \$ |
| As Reported from Continuing Operations                     | \$ 0.27 | \$ 0.25 | \$ |
| From Operations  | \$ 0.27 | \$ 0.25 | \$ |

Basic Earnings Per Share (Pro Forma for 2000):

2001

-----

|  |         |         |    |
|--|---------|---------|----|
| Number of shares of common stock outstanding (in millions) | 338.7   | 340.1   |    |
| Basic Earnings Per Share Based on Consolidated Earnings    |         |         |    |
| As Reported  | \$ 0.53 | \$ 0.36 | \$ |
| As Reported from Continuing Operations                     | 0.52    | \$ 0.36 | \$ |
| Adjustments for: Write-off of Chilean Investment           | \$ -    | \$ 0.17 | \$ |
| From Operations  | \$ 0.52 | \$ 0.53 | \$ |

2000

-----

|   |         |         |    |
|---|---------|---------|----|
| Number of shares of common stock outstanding (in millions)        | 338.7   | 338.7   |    |
| Pro Forma Basic Earnings Per Share Based on Consolidated Earnings |         |         |    |
| As Reported   | \$ 0.30 | \$ 0.27 | \$ |
| As Reported from Continuing Operations                            | 0.28    | 0.25    | \$ |
| Adjustment for Costs Related to Transitioning to a Public Company | -       | -       | \$ |
| From Operations   | \$ 0.28 | \$ 0.25 | \$ |

MIRANT CORPORATION AND SUBSIDIARIES  
 FINANCIAL DATA BY GROUP (UNAUDITED)  
 FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2001 AND 2000

|                                     | Americas |          | Europe |      | Asia-Pacific |       | Co<br>EL |
|-------------------------------------|----------|----------|--------|------|--------------|-------|----------|
|                                     | 2001     | 2000     | 2001   | 2000 | 2001         | 2000  |          |
| Operating Revenues                  |          |          |        |      |              |       | 2        |
| Generation and energy marketing     | \$ 7,695 | \$ 3,953 | \$201  | \$ - | \$ 127       | \$123 | \$       |
| Distribution & integrated utilities | 154      | 43       | -      | 71   | -            | -     | \$       |
| Other                               | 3        | -        | -      | -    | 5            | 4     | \$       |

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|  |        |        |       |       |       |       |
|--|--------|--------|-------|-------|-------|-------|
| Total operating revenues                                   | 7,852  | 3,996  | 201   | 71    | 132   | 127   |
| Operating Expenses:  |        |        |       |       |       |       |
| Cost of fuel, electricity and other products               | 7,098  | 3,562  | 204   | 7     | 1     | -     |
| Depreciation and amortization                              | 65     | 38     | 1     | 17    | 33    | 32    |
| Other operating expenses                                   | 254    | 213    | 7     | 28    | 29    | 30    |
| Total operating expenses                                   | 7,417  | 3,813  | 212   | 52    | 63    | 62    |
| Operating Income (Loss)                                    | 435    | 183    | (11)  | 19    | 69    | 65    |
| Other Income (Expense)                                     |        |        |       |       |       |       |
| Interest income (expense)                                  | (40)   | (28)   | (9)   | (25)  | (26)  | (27)  |
| Equity in income of affiliates                             | 1      | 23     | 24    | 28    | 13    | 18    |
| Other  | 2      | 14     | 1     | 6     | 9     | (4)   |
| Income (Loss) From Continuing Operations                   |        |        |       |       |       |       |
| Before Income Taxes and Minority Interest                  | 398    | 192    | 5     | 28    | 65    | 52    |
| Provision (Benefit) for Income Taxes                       | 172    | 75     | (7)   | 6     | 4     | 9     |
| Minority Interest  | 4      | 4      | -     | 3     | 8     | 10    |
| Income (Loss) From Continuing Operations                   | 222    | 113    | 12    | 19    | 53    | 33    |
| Income From Discontinued Operations,<br>Net of Tax Benefit |        |        |       |       |       |       |
|  | -      | -      | -     | -     | -     | -     |
| Net Income (Loss)  | \$ 222 | \$ 113 | \$ 12 | \$ 19 | \$ 53 | \$ 33 |

MIRANT CORPORATION AND SUBSIDIARIES  
FINANCIAL DATA BY GROUP (UNAUDITED)  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2001 AND 2000

|  | Americas  |          | Europe |        | Asia-Pacific |       | Eli  |
|--|-----------|----------|--------|--------|--------------|-------|------|
|  | 2001      | 2000     | 2001   | 2000   | 2001         | 2000  | 2000 |
| (in millions)                                |           |          |        |        |              |       |      |
| Operating Revenues                           |           |          |        |        |              |       |      |
| Generation and energy marketing              | \$ 23,353 | \$ 4,582 | \$211  | \$ (2) | \$ 376       | \$369 | \$   |
| Distribution & integrated utilities          | 334       | 126      | -      | 263    | -            | -     |      |
| Other  | 5         | -        | -      | -      | 16           | 10    |      |
| Total operating revenues                     | 23,692    | 4,708    | 211    | 261    | 392          | 379   |      |
| Operating Expenses:                          |           |          |        |        |              |       |      |
| Cost of fuel, electricity and other products | 21,545    | 3,942    | 261    | 23     | 5            | -     |      |
| Depreciation and amortization                | 182       | 87       | 1      | 58     | 98           | 97    |      |
| Other operating expenses                     | 981       | 381      | 29     | 99     | 90           | 60    | 11   |
| Total operating expenses                     | 22,708    | 4,410    | 291    | 180    | 193          | 157   | 11   |
| Operating Income (Loss)                      | 984       | 298      | (80)   | 81     | 199          | 222   | (11) |

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|  |        |        |       |       |        |       |        |  |
|--|--------|--------|-------|-------|--------|-------|--------|--|
| Other Income (Expense)                                     |        |        |       |       |        |       |        |  |
| Interest income (expense)                                  | (126)  | (97)   | (18)  | (79)  | (75)   | (79)  | (9)    |  |
| Equity in income of affiliates                             | 12     | 27     | 116   | 56    | 36     | 49    |        |  |
| Other  | 8      | 22     | 2     | 14    | 20     | 15    |        |  |
| -----  |        |        |       |       |        |       |        |  |
| Income (Loss) From Continuing Operations                   |        |        |       |       |        |       |        |  |
| Before Income Taxes and Minority Interest                  | 878    | 250    | 20    | 72    | 180    | 207   | (21)   |  |
| Provision (Benefit) for Income Taxes                       | 375    | 104    | (40)  | (16)  | 7      | (1)   | (5)    |  |
| Minority Interest  | 8      | 5      | -     | 26    | 24     | 28    | 1      |  |
| -----  |        |        |       |       |        |       |        |  |
| Income (Loss) From Continuing Operations                   | 495    | 141    | 60    | 62    | 149    | 180   | (17)   |  |
|  |        |        |       |       |        |       |        |  |
| Income From Discontinued Operations,<br>Net of Tax Benefit | -      | -      | -     | -     | -      | -     |        |  |
| -----  |        |        |       |       |        |       |        |  |
| Net Income (Loss)  | \$ 495 | \$ 141 | \$ 60 | \$ 62 | \$ 149 | \$180 | \$(16) |  |
| =====  |        |        |       |       |        |       |        |  |

-----  
Energy Volumes

|                         | North America |      |        |             |      |        |             |      |
|-------------------------|---------------|------|--------|-------------|------|--------|-------------|------|
|                         | 1st Quarter   |      |        | 2nd Quarter |      |        | 3rd Quarter |      |
|                         | 2001          | 2000 | Change | 2001        | 2000 | Change | 2001        | 2000 |
| Power (MM MWh)          | 65.6          | 54.2 | 21%    | 69.7        | 50.1 | 39%    | 91.6        | 63.3 |
| Power Produced (MM MWh) | 21.0          | 6.0  | 250%   | 20.0        | 7.8  | 156%   | 22.1        | 10.6 |
| Natural Gas (Bcf/d) (a) | 12.8          | 8.9  | 44%    | 11.8        | 7.7  | 53%    | 13.1        | 8.9  |

(a) Volumes include all volumes reported on GMS, including transfers between subsidiaries and intracompany transfers (2000 restated).