

PATRICK INDUSTRIES INC

Form 10-Q

May 05, 2016

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

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

FOR THE QUARTERLY PERIOD ENDED MARCH 27, 2016

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 000-03922

PATRICK INDUSTRIES, INC.

(Exact name of registrant as specified in its charter)

INDIANA

(State or other jurisdiction of
incorporation or organization)

107 WEST FRANKLIN STREET, P.O. Box 638, ELKHART, IN

(Address of principal executive offices)

35-1057796

(I.R.S. Employer
Identification No.)

46515

(ZIP Code)

(574) 294-7511

(Registrant's telephone number, including area code)

(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

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 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 the definitions 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

As of April 22, 2016, there were 15,284,245 shares of the registrant's common stock outstanding.

PATRICK INDUSTRIES, INC.

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PART 1: FINANCIAL INFORMATION**ITEM 1. FINANCIAL STATEMENTS****PATRICK INDUSTRIES, INC.****CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)**

(thousands)	As of	
	Mar. 27,	Dec. 31,
	2016	2015
ASSETS		
Current Assets		
Cash and cash equivalents	\$10,659	\$87
Trade receivables, net	67,443	38,213
Inventories	100,080	89,478
Prepaid expenses and other	3,636	6,119
Total current assets	181,818	133,897
Property, plant and equipment, net	70,803	67,878
Goodwill	77,488	68,606
Other intangible assets, net	120,152	106,759
Deferred financing costs, net (Note 3)	1,714	1,690
Deferred tax assets, net (Note 2)	1,754	2,004
Other non-current assets	539	555
TOTAL ASSETS	\$454,268	\$381,389
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Current maturities of long-term debt	\$10,714	\$10,714
Accounts payable	48,096	28,744
Accrued liabilities	23,238	18,468
Total current liabilities	82,048	57,926
Long-term debt, less current maturities, net (Note 3)	230,808	192,947
Deferred compensation and other	1,901	1,919
TOTAL LIABILITIES	314,757	252,792
SHAREHOLDERS' EQUITY		
Common stock	58,217	57,683
Additional paid-in-capital	9,212	8,308
Accumulated other comprehensive income	32	32
Retained earnings	72,050	62,574
TOTAL SHAREHOLDERS' EQUITY	139,511	128,597

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY \$454,268 \$381,389

See accompanying Notes to Condensed Consolidated Financial Statements.

PATRICK INDUSTRIES, INC.**CONDENSED CONSOLIDATED STATEMENTS OF INCOME (Unaudited)**

(thousands except per share data)	First Quarter Ended	
	Mar. 27, 2016	Mar. 29, 2015
NET SALES	\$278,637	\$223,388
Cost of goods sold	233,285	187,994
GROSS PROFIT	45,352	35,394
Operating Expenses:		
Warehouse and delivery	7,699	6,659
Selling, general and administrative	14,233	11,519
Amortization of intangible assets	2,768	1,659
(Gain) loss on sale of fixed assets	38	(6)
Total operating expenses	24,738	19,831
OPERATING INCOME	20,614	15,563
Interest expense, net	1,649	804
Income before income taxes	18,965	14,759
Income taxes	6,932	5,609
NET INCOME	\$12,033	\$9,150
BASIC NET INCOME PER COMMON SHARE (1)	\$0.81	\$0.60
DILUTED NET INCOME PER COMMON SHARE (1)	\$0.80	\$0.59