

STANDEX INTERNATIONAL CORP/DE/
Form 10-Q
October 28, 2016

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 September 30, 2016

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

Commission File Number 1-7233

STANDEX INTERNATIONAL CORPORATION

(Exact name of registrant as specified in its charter)

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

DELAWARE
(State of incorporation)

31-0596149
(IRS Employer Identification No.)

11 KEEWAYDIN DRIVE, SALEM, NEW HAMPSHIRE
(Address of principal executive offices)

03079
(Zip Code)

(603) 893-9701

(Registrant's telephone number, including area code)

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. (Check one):

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company) 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

The number of shares of Registrant's Common Stock outstanding on October 25, 2016 was 12,743,263

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PART I. FINANCIAL INFORMATION**ITEM 1**

STANDEX INTERNATIONAL CORPORATION
Unaudited Condensed Consolidated Balance Sheets

(In thousands, except per share data)

September 30, 2016**June 30,****2016****ASSETS**

Current Assets:

Cash and cash equivalents	\$	121,253	\$	121,988
Accounts receivable, net of reserve for doubtful accounts of \$2,279 and \$2,119 at September 30, 2016 and June 30, 2016		103,206		103,974
Inventories		106,022		105,402
Prepaid expenses and other current assets		7,558		4,784
Income taxes receivable		3,331		1,325
Deferred tax asset		14,904		16,013

Assets held for sale		-		2,363
Total current assets		356,274		355,849
Property, plant, and equipment, net		109,086		106,686
Intangible assets, net		39,548		40,412
Goodwill		157,062		157,354
Deferred tax asset		9,295		11,361
Other non-current assets		21,694		18,795
Total non-current assets		336,685		334,608
Total assets	\$	692,959	\$	690,457

**LIABILITIES AND STOCKHOLDERS'
EQUITY**

Current Liabilities:

Accounts payable	\$	62,610	\$	77,099
Accrued liabilities		50,441		50,785
Income taxes payable		5,166		4,695
Liabilities held for sale		-		1,528
Total current liabilities		118,217		134,107
Long-term debt		104,208		92,114
Accrued pension and other non-current liabilities		91,871		94,277
Total non-current liabilities		196,079		186,391

Stockholders' equity:

Common stock, par value \$1.50 per share, 60,000,000 shares authorized, 27,984,278 issued, 12,658,234 and 12,674,458 outstanding at September 30, 2016 and June 30, 2016		41,976		41,976
Additional paid-in capital		53,563		52,374
Retained earnings		690,110		678,002
Accumulated other comprehensive loss		(117,827)		(117,975)
Treasury shares: 15,326,044 shares at September 30, 2016 and 15,309,820 shares at June 30, 2016		(289,159)		(284,418)
Total stockholders' equity		378,663		369,959
Total liabilities and stockholders' equity	\$	692,959	\$	690,457

See notes to unaudited condensed consolidated financial statements

(In thousands, except per share data)	Three Months Ended	
	September 30,	
	2016	2015
Net sales	\$ 179,600	\$ 198,398
Cost of sales	117,824	129,846
Gross profit	61,776	68,552
Selling, general, and administrative expenses	41,612	43,930
Restructuring costs	394	1,519
Total operating expenses	42,006	45,449
Income from operations	19,770	23,103
Interest expense	(697)	(644)
Other non-operating income (expense)	434	190
Income from continuing operations before income taxes	19,507	22,649
Provision for income taxes	5,556	6,508
Income from continuing operations	13,951	16,141
Income (loss) from discontinued operations, net of income taxes		