

APOGEE ENTERPRISES, INC.
Form 10-Q
July 09, 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 May 30, 2015

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: 0-6365

APOGEE ENTERPRISES, INC.
(Exact name of registrant as specified in its charter)

Minnesota 41-0919654
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

4400 West 78th Street – Suite 520, 55435
Minneapolis, MN (Zip Code)

(Address of principal executive offices)
Registrant's telephone number, including area code: (952) 835-1874

Not Applicable
(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 (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

As of July 8, 2015, 29,234,140 shares of the registrant's common stock, par value \$0.33 1/3 per share, were outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

CONSOLIDATED BALANCE SHEETS

(unaudited)

(In thousands, except per share data)	May 30, 2015	February 28, 2015
Assets		
Current assets		
Cash and cash equivalents	\$28,204	\$52,185
Short-term available for sale securities	35,279	327
Receivables, net of allowance for doubtful accounts	160,304	171,623
Inventories	62,490	61,408
Refundable income taxes	3,390	5,115
Deferred tax assets	370	1,359
Other current assets	7,707	6,958
Total current assets	297,744	298,975
Property, plant and equipment, net	192,374	193,540
Available for sale securities	9,703	10,655
Goodwill	75,563	75,857
Intangible assets	22,419	23,280
Other non-current assets	10,080	9,750
Total assets	\$607,883	\$612,057
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable	\$52,792	\$56,516
Accrued payroll and related benefits	24,323	36,620
Accrued self-insurance reserves	6,202	8,058
Other current liabilities	23,201	25,557
Billings in excess of costs and earnings on uncompleted contracts	29,424	22,233
Current portion long-term debt	37	44
Total current liabilities	135,979	149,028
Long-term debt	21,727	20,587
Unrecognized tax benefits	4,499	4,477
Long-term self-insurance reserves	7,346	6,185
Deferred tax liabilities	10,073	10,652
Other non-current liabilities	37,355	38,652
Commitments and contingent liabilities (Note 12)		
Shareholders' equity		
Common stock of \$0.33-1/3 par value; authorized 50,000,000 shares; issued and outstanding 29,227,904 and 29,049,531, respectively	9,743	9,683
Additional paid-in capital	144,229	138,575
Retained earnings	262,327	256,538
Common stock held in trust	(810) (801
Deferred compensation obligations	810	801
Accumulated other comprehensive loss	(25,395) (22,320
Total shareholders' equity	390,904	382,476
Total liabilities and shareholders' equity	\$607,883	\$612,057

See accompanying notes to consolidated financial statements.

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CONSOLIDATED RESULTS OF OPERATIONS

(unaudited)

(In thousands, except per share data)	Three Months Ended	
	May 30, 2015	May 31, 2014
Net sales	\$239,962	\$210,883
Cost of sales	184,374	169,445
Gross profit	55,588	41,438
Selling, general and administrative expenses	37,364	33,621
Operating income	18,224	7,817
Interest income	237	249
Interest expense	167	