

HNI CORP
Form 10-Q
April 29, 2014

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(MARK ONE)

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

For the quarterly period ended March 29, 2014.

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: 1-14225

HNI Corporation
(Exact name of registrant as specified in its charter)

Iowa	42-0617510
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

P. O. Box 1109, 408 East Second Street	52761-0071
Muscatine, Iowa 52761-0071	(Zip Code)
(Address of principal executive offices)	

Registrant's telephone number, including area code: 563/272-7400

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 ☒ x NO ☐ o

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 ☒ x NO ☐ o

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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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input 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).

YES	<input type="checkbox"/>	NO	<input checked="" type="checkbox"/>
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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practical date.

Class	Outstanding at March 29, 2014
Common Shares, \$1 Par Value	45,099,819

HNI Corporation and SUBSIDIARIES

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

HNI Corporation and SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited)

	March 29, 2014 (In thousands)	December 28, 2013
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$45,684	\$65,030
Short-term investments	7,252	7,251
Receivables	203,695	228,715
Inventories	100,283	89,516
Deferred income taxes	15,371	16,051
Prepaid expenses and other current assets	26,463	26,665
Total Current Assets	398,748	433,228
 PROPERTY, PLANT, AND EQUIPMENT		
Land and land improvements	27,602	27,465
Buildings	287,787	284,484
Machinery and equipment	474,194	470,748
Construction in progress	27,899	24,209
	817,482	806,906
Less accumulated depreciation	543,605	539,505
Net Property, Plant, and Equipment	273,877	267,401
 GOODWILL	287,092	286,655
 OTHER ASSETS	152,730	147,421
 Total Assets	 \$1,112,447	 \$1,134,705

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

HNI Corporation and SUBSIDIARIES
 CONDENSED CONSOLIDATED BALANCE SHEETS
 (Unaudited)

	March 29, 2014	December 28, 2013
	(In thousands, except share and per share value data)	
LIABILITIES AND EQUITY		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$336,584	\$407,799
Note payable and current maturities of long-term debt and capital lease obligations	39,175	484
Current maturities of other long-term obligations	2,987	3,301
Total Current Liabilities	378,746	411,584
LONG-TERM DEBT	150,077	150,091
CAPITAL LEASE OBLIGATIONS	76	106
OTHER LONG-TERM LIABILITIES	67,360	67,543
DEFERRED INCOME TAXES	73,324	68,964
COMMITMENTS AND CONTINGENCIES		
EQUITY		
HNI Corporation shareholders' equity:		
Capital Stock:		
Preferred, \$1 par value, authorized 2,000,000 shares, no shares outstanding	—	—
Common, \$1 par value, authorized 200,000,000 shares, outstanding - March 29, 2014 – 45,099,819 shares; December 28, 2013 – 44,981,865 shares	45,100	44,982
Additional paid-in capital	22,382	16,729
Retained earnings	373,960	373,652
Accumulated other comprehensive income	1,413	965
Total HNI Corporation shareholders' equity	442,855	436,328
Noncontrolling interest	9	89
Total Equity	442,864	436,417
Total Liabilities and Equity	\$1,112,447	\$1,134,705

See accompanying Notes to Condensed Consolidated Financial Statements (Unaudited).

HNI Corporation and SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Unaudited)

Three Months Ended	
March 29, 2014	March 30, 2013