KMG CHEMICALS INC
Form 10-Q
June 11, 2018

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 April 30, 2018

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: 001-35577

KMG CHEMICALS, INC.

(Exact name of registrant as specified in its charter)

Texas	75-2640529
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
300 Throckmorton Street,	
Fort Worth, Texas	76102
(Address of principal executive offices)	(Zip Code)

(817)-761-6100

(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 (§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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth 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
		Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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 June 8, 2018, there were 15,507,485 shares of the registrant’s common stock outstanding.

TABLE OF CONTENTS

PART I — FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS
KMG CHEMICALS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except for share and per share amounts)

	April 30, 2018 (Unaudited)	July 31, 2017
Assets		
Current assets		
Cash and cash equivalents	$ 21,818	$ 20,708
Accounts receivable		
Trade, net of allowances of $235 at April 30, 2018 and $263 at July 31, 2017	59,422	51,168
Other	7,176	6,168
Inventories, net	54,087	46,482
Prepaid expenses and other	4,305	8,617
Total current assets	146,808	133,143
Property, plant and equipment, net	114,640	105,435
Goodwill	227,797	224,391
Intangible assets, net	303,318	320,401
Other assets, net	12,744	9,061
Total assets	$ 805,307	$ 792,431
Liabilities and stockholders’ equity		
Current liabilities		
Accounts payable	$ 37,907	$ 29,570
Accrued liabilities	10,884	12,456
Employee incentive accrual	5,574	7,713
Current portion of long-term debt	—	3,167
Total current liabilities	54,365	52,906
Long-term debt, net	323,550	523,102
Deferred tax liabilities	23,243	37,944
Other long-term liabilities	5,446	4,763
Total liabilities	406,604	618,715
Commitments and contingencies		
Stockholders’ equity		
Preferred stock, $0.01 par value, 10,000,000 shares authorized, none issued	—	—
Common stock, $0.01 par value, 40,000,000 shares authorized, 15,505,350 shares issued and outstanding at April 30, 2018 and 11,889,649 shares issued and outstanding at July 31, 2017	155	119
Additional paid-in capital	220,094	42,535
Accumulated other comprehensive loss	(7,864)	(9,712)
Retained earnings	186,318	140,774
Total stockholders’ equity	398,703	173,716
Total liabilities and stockholders’ equity	$ 805,307	$ 792,431

See accompanying notes to condensed consolidated financial statements.

KMG CHEMICALS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(UNAUDITED)

(In thousands, except for per share amounts)

	Three Months Ended April 30,		Nine Months Ended April 30,	
	2018	2017	2018	2017
Net sales	$118,647	$81,616	$343,162	$237,182
Cost of sales	68,156	49,106	196,936	143,787
Gross profit	50,491	32,510	146,226	93,395
Distribution expenses	9,070	9,457	27,192	28,329
Selling, general and administrative expenses	13,601	13,008	41,939	36,241
Amortization of intangible assets	3,867	608	11,263	1,668
Restructuring charges	—	70	69	70
Operating income	23,953	9,367	65,763	27,087
Other (expense) income				
Interest expense, net	(4,153)	(301)	(17,333)	(650)
Loss on the extinguishment of debt	(277)	—	(6,368)	—
Derivative fair value gain	1,365	—	5,238	—
Other, net	(200)	144	(977)	88
Total other expense, net	(3,265)	(157)	(19,440)	(562)
Income before income taxes	20,688	9,210	46,323	26,525
Provision for income taxes	(5,043)	(3,143)	509	(8,232)
Net income	$15,645	$6,067	$46,832	$18,293
Earnings per share				
Net income per common share basic	$1.01	$0.51	$3.24	$1.54
Net income per common share diluted	$0.98	$0.49	$3.16	$1.50
Weighted average shares outstanding				
Basic	15,505	11,888	14,439	11,884
Diluted	15,905	12,303	14,814	12,236

See accompanying notes to condensed consolidated financial statements.

KMG CHEMICALS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(UNAUDITED)

(In thousands)

	Three Months Ended April 30,		Nine Months Ended April 30,	
	2018	2017	2018	2017
Net income	$15,645	$6,067	$46,832	$18,293
Other comprehensive income				
Foreign currency translation gain (loss)	(2,643)	467	1,847	(2,204)
Total comprehensive income	$13,002	$6,534	$48,679	$16,089

See accompanying notes to condensed consolidated financial statements.

KMG CHEMICALS, INC. AND SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(UNAUDITED)

(In thousands)

	Nine Months Ended April 30, 2018	2017
Cash flows from operating activities		
Net income	$46,832	$18,293
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	22,359	10,864
Loss on extinguishment of debt	6,368	—
Stock-based compensation expense	5,687	4,280
Amortization of debt discounts and financing costs included in interest expense	1,124	125
Debt repricing transaction costs	607	—
Deferred income tax benefit	(9,097)	(1,189)
Derivative fair value gain	(5,238)	—
Other	(65)	(935)
Changes in operating assets and liabilities		
Accounts receivable — trade	(7,664)	(3,172)
Accounts receivable — other	(50)	2,253
Inventories	(7,238)	606
Other current and noncurrent assets	(715)	(1,062)
Accounts payable	8,194	(1,282)
Accrued liabilities and other	(3,349)	(1,444)
Net cash provided by operating activities	57,755	27,337
Cash flows from investing activities		
Additions to property, plant and equipment	(15,527)	(8,586)
Purchase of Sealweld, net of cash acquired	(585)	(16,584)
Other investing activities	(577)	—
Proceeds — insurance claim	—	1,247
Net cash used in investing activities	(16,689)	(23,923)
Cash flows from financing activities		
Proceeds from sale of common stock, net of issuance costs	175,669	—
Borrowings under credit facility	—	17,000
Payments under credit facility	—	(18,800)
Principal payments on borrowings on term loan	(210,000)	—
Debt repricing transaction costs	(607)	—
Payment of dividends	(1,288)	(1,066)
Cash payments related to tax withholdings from stock-based awards	(3,729)	(277)
Net cash used in financing activities	(39,955)	(3,143)
Effect of exchange rate changes on cash	(1)	398
Net increase in cash, cash equivalents and restricted cash	1,110	669
Cash, cash equivalents and restricted cash at beginning of period	20,708	13,428
Cash, cash equivalents and restricted cash at end of period	$21,818	$14,097
Supplemental disclosures of cash flow information		
Cash paid for interest	$15,618	$414

Cash paid for income taxes, net	$5,013	$7,421
Supplemental disclosure of non-cash investing activities		
Purchase of property, plant and equipment through accounts payable	$1,087	$412

See accompanying notes to condensed consolidated financial statements.

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

1. Basis of Presentation

The condensed consolidated balance sheet as of July 31, 2017, which has been derived from audited consolidated financial statements, and the unaudited condensed consolidated financial statements included herein have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission for interim reporting. As permitted under those requirements, certain footnotes or other financial information that are normally required by generally accepted accounting principles in the United States of America (“GAAP”) have been condensed or omitted. The Company believes that the disclosures made are adequate to make the information not misleading and in the opinion of management reflect all adjustments, including those of a normal recurring nature, that are necessary for a fair presentation of financial position and results of operations for the interim periods presented. Certain reclassifications of prior year amounts have been made to conform to current year presentation. These reclassifications had no impact on net income or total stockholders’ equity as previously reported. The results of operations for the interim periods are not necessarily indicative of results of operations to be expected for the full year. The unaudited condensed consolidated financial statements included herein should be read in conjunction with the consolidated financial statements and notes thereto included in the Company’s Annual Report on Form 10-K for the year ended July 31, 2017.

These condensed consolidated financial statements are prepared using certain estimates by management and include the accounts of KMG Chemicals, Inc. and its subsidiaries (collectively, the “Company”). All significant intercompany balances and transactions have been eliminated in consolidation.

The following table provides a brief description of recent Accounting Standard Updates (“ASU”) issued by the Financial Accounting Standards Board (“FASB”):

Standard	Description	Effective Date	Effect on the Financial Statements or Other Significant Matters
In August 2017, the FASB issued ASU 2017-12, Targeted Improvements to Accounting for Hedging Activities.	The new guidance improves the financial reporting of hedging relationships to better portray the economic results of an entity's risk management activities in its financial statements through changes to both the designation and measurement guidance for qualifying hedging relationships and the presentation of hedge results.	August 1, 2019. Early adoption is permitted.	The Company is currently evaluating the impact of adoption on its financial statements and related disclosures, but does not expect adoption will have a material impact as the Company does not currently utilize hedge accounting for derivative instruments.
In January 2017, the FASB issued ASU 2017-04, Intangibles: Goodwill and Other: Simplifying the Test for Goodwill Impairment.	The new guidance simplifies subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test.	August 1, 2020. Early adoption is permitted.	The Company adopted the new guidance as of August 1, 2017, as part of the FASB's simplification initiative. The adoption of the new guidance did not have an impact to the Company.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments—Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments	The new guidance changes the impairment model for most financial assets and certain other instruments, including trade and other receivables, held-to-maturity debt securities and loans, and requires entities to use a new forward-looking expected loss model that will result in the earlier recognition of allowance for losses.	August 1, 2020. Early adoption is permitted.	The Company does not expect adoption will have a material impact on its condensed consolidated financial statements and related disclosures.

In February 2016, the FASB issued ASU 2016-02, Leases.	The new guidance supersedes the lease guidance under FASB Accounting Standards Codification ("ASC") Topic 840, Leases, resulting in the creation of FASB ASC Topic 842, Leases. The guidance requires a lessee to recognize in the statement of financial position a liability to make lease payments and a right-of-use asset representing its right to use the underlying asset for the lease term for both finance and operating leases.	August 1, 2019. Early adoption is permitted.	The Company is currently evaluating its population of leases, and is continuing to assess all potential impacts of the standard, but currently believes the most significant impact relates to its accounting for manufacturing and logistics equipment, and real estate operating leases. The Company anticipates recognition of additional assets and corresponding liabilities related to leases upon adoption, but cannot quantify these at this time. The Company plans to adopt the standard effective August 1, 2019.
In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers. Since that date, the FASB has issued additional ASUs clarifying certain aspects of ASU 2014-09.	The new guidance requires entities to recognize revenue in a way that depicts the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. The new guidance provides alternative methods of adoption. Subsequent guidance issued after May 2014 did not change the core principle of ASU 2014-09.	August 1, 2018.	The Company has substantially completed its assessment of significant revenue contracts and the guidance is not expected to have significant impacts on its condensed consolidated financial statements. The Company is still evaluating the required changes in disclosure for the footnotes to the condensed consolidated financial statements. The Company plans to adopt the revenue guidance effective August 1, 2018, and expects to utilize the modified retrospective method of adoption.

2. Acquisitions

On June 15, 2017, the Company completed the acquisition of Flowchem Holdings LLC (“Flowchem”). The consideration paid on the closing date was the purchase price of $495.0 million plus $11.4 million for cash acquired. Based in Waller, Texas, Flowchem is a global provider of drag-reducing agents, related support services and equipment to midstream crude oil and refined fuel pipeline operators. To finance the acquisition the Company entered into a new credit agreement providing for a seven year syndicated term loan of $550.0 million. See Note 11 for further discussion of the Company’s credit agreement. The Company expensed transaction and acquisition-related costs of approximately $0.5 million in the nine months ended April 30, 2018, which is included in selling, general and administrative expenses on the Company’s consolidated statement of income.

The Company has accounted for the purchase using the acquisition method of accounting for business combinations. Accordingly, the purchase price has been allocated to the underlying assets and liabilities in proportion to their respective fair values. The following table summarizes the acquired assets and assumed liabilities and the preliminary acquisition accounting for the fair value of the assets and liabilities recognized in the condensed consolidated balance sheet at April 30, 2018 (in thousands):

Cash	$11,445
Accounts receivable	11,280
Inventory	9,310
Other assets	499

Property, plant and equipment, net	19,665
Intangible assets	
Customer relationships	205,467
Trade names and trademark	32,353
Proprietary manufacturing process	39,323
Total assets	$329,342
Current liabilities	3,132
Deferred tax liability	22,238
Net identifiable assets acquired	303,972
Goodwill	202,471
Fair value of net assets acquired	$506,443

This purchase price allocation is preliminary and is pending the final accounting for the state and local tax liabilities, deferred taxes and goodwill acquired June 15, 2017, as the Company has not yet finalized the detailed valuation analyses as of April 30, 2018. The fair value of the accounts receivable acquired was $11.3 million, equivalent to the amount the Company expects to be collected. The $202.5 million of goodwill was assigned to the performance materials segment, and the Company expects $155.9 million of goodwill to be tax deductible. The goodwill is primarily attributable to the assembled workforce of Flowchem and the allocation of proceeds in excess of the fair value of net identifiable assets acquired.

During the nine months ended April 30, 2018, measurement period adjustments were made to the preliminary purchase price allocation recorded in the consolidated financial statements for the fiscal year ended July 31, 2017. The acquired intangible assets, deferred tax liabilities and goodwill were adjusted as a result of additional analyses performed on the estimates used in the calculation of the fair value of the assets acquired and liabilities assumed. The measurement period adjustments to the amortizable intangible assets resulted in an immaterial reduction in the amortization expense recognized in the Company's condensed consolidated statements of income for the three months ended October 31, 2017, and a reduction in the estimated amortization expense going forward. The Company further recorded measurement period adjustments in the third quarter of fiscal year 2018 to the acquired deferred tax assets and liabilities as a result of further analyses performed over Flowchem's tax attributes as of the date of the business combination, which reduced the recognized goodwill.

	April 30, 2018	Measurement Period Adjustment	July 31, 2017
Customer relationships	$205,467	$ (9,415)	$214,882
Trade names and trademarks	32,353	3,402	28,951
Proprietary manufacturing process	39,323	78	39,245
Deferred tax liability	22,238	(2,808)	25,046
Goodwill	202,471	3,125	199,346

On February 1, 2017, the Company completed the acquisition of the assets of Sealweld Corporation ("Sealweld"), a privately held corporation organized under the laws of the Province of Alberta, Canada, for CAD$22.3 million in cash (or approximately US$17.2 million, at an exchange rate of 0.77 CAD$ to US$ at February 1, 2017), which included CAD$5.5 million (or approximately US$4.2 million, at an exchange rate of 0.77 CAD$ to US$ at February 1, 2017) for estimated working capital. Sealweld is based in Calgary, Alberta, Canada, with additional facilities in the United States and the United Arab Emirates. Sealweld is a global supplier of high-performance products and services for industrial valve and actuator maintenance, including lubricants, sealants, cleaners, valve fittings, tools and equipment. Additionally, Sealweld provides routine and emergency valve maintenance services and technician training for many of the world's largest pipeline operators. The Company completed the acquisition by borrowing $17.0 million on the revolving loan under its revolving credit facility. See Note 11 for further discussion of the Company's revolving credit facility. Sealweld is included in the performance materials segment. The Company expensed transaction and acquisition-related costs of approximately $0.1 million in the nine months ended April 30, 2018, which is included in selling, general and administrative expenses on the Company's condensed consolidated statement of income.

The following table summarizes the acquired assets and assumed liabilities and the final acquisition accounting for the fair value of the assets and liabilities recognized in the condensed consolidated balance sheet at April 30, 2018 (in thousands):

Cash	$69
Accounts receivable	2,937

Inventory	2,350
Other assets	38
Property, plant and equipment, net	4,192
Intangible assets	—
Trade name/trademark	2,185
Non-compete agreements	2,254
Customer relationships	2,348
Total assets acquired	$16,373
Current liabilities	1,272
Deferred taxes	681
Net identifiable assets acquired	14,420
Goodwill	2,771
Fair value of net assets acquired	$17,191

This purchase price allocation is final. The fair value of the accounts receivable acquired was $2.9 million, equivalent to the contractual amount acquired. The Company collected substantially all acquired accounts receivable. During the fiscal quarter ended January 31, 2018, the Company recorded a measurement period adjustment of $0.1 million to the acquired current liabilities as a result of the identification of certain tax liabilities existing at the date of the acquisition. As a result of the measurement period adjustment, the Company increased goodwill from $2.7 million to $2.8 million. The goodwill was assigned to the performance materials segment, and the Company expects $0.1 million of goodwill to be tax deductible. The goodwill is primarily attributable to the assembled workforce of Sealweld.

3. Cash, Cash Equivalents and Restricted Cash

The Company's restricted cash includes cash balances which are legally or contractually restricted to use. The Company did not have any restricted cash balances requiring reconciliation to amounts used on the unaudited condensed consolidated statements of cash flows, as proceeds that were placed in escrow in connection with the sale of the animal health business in fiscal year 2013 were released from escrow in February 2017.

4. Earnings Per Share

Basic earnings per share have been computed by dividing net income by the weighted average shares outstanding. Diluted earnings per share have been computed by dividing net income by the weighted average shares outstanding plus potentially dilutive common shares. There were approximately 399,701 and 374,903 dilutive shares related to stock-based awards for the three and nine months ended April 30, 2018, respectively. There were approximately 415,661 and 352,755 dilutive shares related to stock-based awards for the three and nine months ended April 30, 2017, respectively.

Outstanding stock-based awards are not included in the computation of diluted earnings per share under the treasury stock method if the effect of including them would be antidilutive. There were 3,600 and 4,920 potentially dilutive securities that were not included in the computation of diluted earnings per share for the three and nine months ended April 30, 2018, respectively. There were 415 and 3,858 potentially dilutive securities that were not included for the three and nine months ended April 30, 2017, respectively.

On October 23, 2017, the Company completed an underwritten public offering of 3,450,000 shares of its common stock, including 450,000 shares issued pursuant to the underwriters' exercise of their option to purchase additional shares, at a public offering price of $54 per share, resulting in estimated net proceeds of approximately $175.7 million after deducting underwriting commissions and estimated offering expenses.

5. Inventories, net

Inventories, net are summarized in the following table (in thousands):

	April 30, 2018	July 31, 2017
Raw materials	$12,802	$9,124
Work in process	3,531	3,763
Supplies	922	884
Finished products	37,478	33,341
Less: reserve for inventory obsolescence	(646)	(630)
Inventories, net	$54,087	$46,482

10

6. Property, Plant and Equipment

Property, plant and equipment and related accumulated depreciation and amortization are summarized as follows (in thousands):

	April 30, 2018	July 31, 2017
Land	$16,792	$12,632
Buildings and improvements	53,699	50,973
Equipment	116,672	106,379
Leasehold improvements	2,777	2,755
	189,940	172,739
Less: accumulated depreciation and amortization	(88,827)	(76,974)
	101,113	95,765
Construction-in-progress	13,527	9,670
Property, plant and equipment, net(1)	$114,640	$105,435

(1) In fiscal year 2016, the Company classified one of its Milan production facilities as assets held for sale, and reclassified $4.3 million into other current assets. In April 2018, the Company reclassified these assets to held and used, and accordingly recognized depreciation expense of $0.1 million. The Company plans to use the facility for storage.

7. Stock-Based Compensation

The Company has stock-based incentive plans which are described in more detail in the consolidated financial statements in the Company's Annual Report on Form 10-K for fiscal year 2017. The Company recognized stock-based compensation costs of approximately $2.1 million and $1.2 million for the three months ended April 30, 2018 and 2017, respectively, and $5.7 million and $4.3 million for the nine months ended April 30, 2018 and 2017, respectively. The Company also recognized the related tax benefits of $0.6 million and $0.4 million for the three months ended April 30, 2018 and 2017, respectively, and $1.5 million and $1.5 million for the nine months ended April 30, 2018 and 2017, respectively. Stock based compensation costs are recorded under selling, general and administrative expenses in the condensed consolidated statements of income.

As of April 30, 2018, the unrecognized compensation costs related to stock-based awards was approximately $9.6 million, which is expected to be recognized over a weighted-average period of 1.7 years.

Performance-Based Stock Awards

There were 467,438 and 373,698 non-vested performance-based restricted stock unit ("RSU") awards outstanding at April 30, 2018 and August 1, 2017, respectively, which reflected the number of RSUs granted under outstanding awards that were expected to vest as of such dates. There were no performance-based RSU awards that vested during the nine months ended April 30, 2018. As of April 30, 2018, the non-vested performance-based RSU awards consisted of Series 1, Series 3 and Series 4 awards granted to certain executives and employees in fiscal years 2018, 2017 and 2016 as summarized below reflecting the target number of RSUs under the awards. Upon vesting, each RSU is converted to one share of common stock.

Date of Grant	Series Award	Target Award Shares	Grant Date Fair Value	Measurement Period Ending	Expected Percentage of Vesting(1)		Shares Expected to Vest
Fiscal Year 2018 Awards							
12/5/2017	Series 4, Tranche 1	27,541	$54.09	7/31/2020			
	Forfeitures(2)	(2,291)					
	Total	25,250			100	%	25,250
12/5/2017	Series 4, Tranche 2	27,542	$54.09	7/31/2020			
	Forfeitures(2)	(2,291)					
	Total	25,251			172	%	43,431
12/5/2017	Series 3	14,000	$54.09	7/31/2018	100	%	14,000
2/5/2018	Series 1	7,287	$60.22	7/31/2020			
4/5/2018	Series 1	100	$60.93	7/31/2020			
	Forfeitures(2)	(50)					
	Total	7,337			172	%	12,619
Fiscal Year 2017 Awards							
12/8/2016	Series 1	10,531					
	Forfeitures(2)	(838)					
	Total	9,693	$34.95	7/31/2019	184	%	17,871
4/28/2017	Series 4, Tranche 1	4,545	$52.55	7/31/2019			
10/21/2016	Series 4, Tranche 1	44,337	$29.11	7/31/2019			
	Forfeitures(2)	(8,442)					
	Total	40,440			100	%	40,440
4/28/2017	Series 4, Tranche 2	4,546	$52.55	7/31/2019			
10/21/2016	Series 4, Tranche 2	44,337	$29.11	7/31/2019			
	Forfeitures(2)	(8,442)					
	Total	40,441			184	%	74,561
Fiscal Year 2016 Awards							
3/10/2016	Series 1	14,625	$21.89	10/31/2018			
1/29/2016	Series 1	57,163	$				